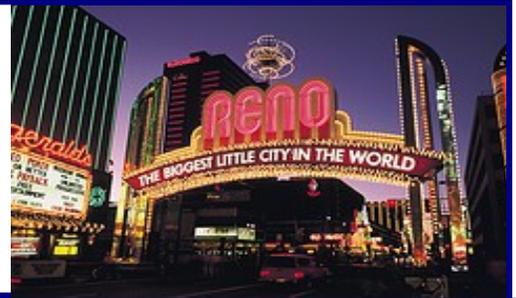




The Institute of  
Internal Auditors  
Northern Nevada Chapter

# The Auditorial

The Official Newsletter of the Northern Nevada  
Chapter of the Institute of Internal Auditors



Volume IV, Issue I

September 2010

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### Professional Designations That Matter!

The Institute of Internal Auditors (IIA) is recognized as the worldwide leader, authority, and principal educator for internal auditing professionals. Earning an IIA certification symbolizes your competency, commitment to and achievement in internal auditing.



## Chapter Meeting October 14, 2010

Please join us on October 14, 2010 as Mr. Donald Sealey and Mr. Gregory S. Anderson share their vast knowledge and their individual experiences working with Audit Committees.

**Donald Sealey** is the Vice President of Corporate Audit at Hawaiian Airlines. The Corporate Audit team of nine professionals is responsible for operational, compliance and financial audits, corporate governance and SOX, fraud investigations, and internal consulting. Mr. Sealey is a CPA and a member of the AICPA and IIA, having served on the Board of Governors of the IIA-Indianapolis Chapter and is past President of the IIA – Hawaii Chapter. He is a member of the International Association of Airline Internal Auditors, past Chairman of the Air Transport Association Audit Panel, and on the Board of Lupus Hawaii.

**Gregory S. Anderson** is the President, CEO and Managing Member of Legacy Senior Housing and Development, LLC. He also is currently serving on the corporate boards of Sun Healthcare, Inc. (NYSE), Hawaiian Airlines (NASDAQ), and Bank of Arizona, NA. Mr. Anderson has served on over 20 boards of directors of companies, both private and public. Mr. Anderson has held positions as President and CEO of Bank of Arizona, NA, President and General Manager of El Dorado Investment Company and as President and CEO of Quality Care Solutions, Inc.

**Where:** International Game Technology  
Human Resources  
Communications Corner  
9295 Prototype Dr.  
Reno, Nevada

**Date:** October 14, 2010

**Time:** 11:30am—1:00pm

**Lunch:** Provided

**Cost:** Members—\$30  
Non members—\$35  
Students—\$25

**RSVP:** [Marianne Foster@IGT.com](mailto:Marianne.Foster@IGT.com)  
Marianne Foster: 775 448 2123  
On-line: [Click here!](#)



**Lunch begins at 11:30; the program begins promptly at 12:00pm. If you register and do not attend you will still be charged for the event.**

## President's Message



Welcome back to another exciting year for the Northern NV Chapter!

We have a lot to offer membership this year, and we welcome any suggestions you have on meeting topics or social ideas. Networking opportunities are a major benefit of membership in the IIA so we encourage attendance at all the events we host as a way to meet fellow auditors in the area with different backgrounds.

On October 14, 2010, we have a special treat for all of you. Donald Sealy, VP of Internal Audit for Hawaiian Airlines, will be speaking about Audit Committees and how we communicate with them. We are in the process of trying to get an Audit Committee member from Hawaiian Airlines to join him in this discussion, illustrating the viewpoints of those involved in Audit Committee meetings. I hope you can join us; for more information, see page 1.

To encourage attendance at the monthly meetings, we will be raffling off gift certificates and/or other items. Each person in attendance receives one raffle ticket; if you bring a friend or co-worker, you can receive one for each additional person you bring. At the end of the year, if you have attended all of the monthly meetings, you will be entered into a drawing for the grand prize (to be announced later).

I look forward to seeing all of you in October!

Marianne Foster





## **Catch the Wave: Sustaining Audit Excellence**

### **September 19 – 22, 2010**

**Disneyland Hotel and Conference Center / Anaheim, CA**

The IIA and its Southern California Chapters have put together a tremendous and cost effective conference that is designed with your professional success in mind. You will take away powerful tools, techniques, and best practices after participating in:

- Pre-conference workshops on audit report writing and CIA exam review utilizing The IIA's CIA Learning System and led by subject matter experts.
- Four exciting general sessions featuring nationally recognized speakers including Alan N. Siegfried, Auditor General of the Inter-American Development Bank; recognized CAEs from ICANN, DreamWorks Animation, The Cheesecake Factory, Microsoft, and the University of California; and IIA President and CEO Richard F. Chambers, CIA, CGAP, CCSA.
- Forty eight concurrent sessions in tracks dedicated to governance, risk, and control; emerging issues; fraud; government/compliance; and CIA and CGAP exam review.
- A one-day four-session track focusing on hot topics and critical issues for CAEs.
- A hands-on Exhibit Hall and unprecedented networking opportunities throughout the event.

**Register by July 31 and save \$50!**

**Before July 31: \$645 IIA Members / \$745 IIA Nonmembers**

**18 CPE (Conference Only) / Additional CPE Pre-conference Workshops  
Program Information and Online Registration are now available at:**

<http://www.theiia.org/iia-training/conferences/western2010-about/>

***Hosted by the Beach Cities, Inland Empire, Los Angeles, Orange  
County, San Diego, San Fernando Valley and San Gabriel Valley  
Chapters.***

## Certification Corner

**NEW TO  
IIA CERTIFICATIONS?**

**ALREADY ENROLLED  
OR IIA CERTIFIED?**

**Click to.....**



Learn about our [Certified Internal Auditor \(CIA\)](#) designation and other IIA Certifications.

**Click to.....**



Access the [Certification Candidate Management System \(CCMS\)](#).



Review the [IIA Certification Candidate Handbook](#).



Download Certification [Promotional Materials](#) for IIA Leaders



Get started with [step-by-step instructions](#) and tools to help you succeed.



Report Continuing Professional Education ([CPE](#)).



Learn more about available tools and resources to become [CIA](#), [CCSA](#), [CFSA](#) and [CGAP](#) Certified.



Learn how you can [write and submit questions](#) for IIA Certification exams.

### PLEASE NOTE:

Candidates from the following countries must contact their [local IIA institute representative](#) for more information about local certification processes and the roll-out of CBT in their area: Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, China, Chinese Taiwan, Czech Republic, France, Germany, Greece, Indonesia, Israel, Italy, Japan, Korea, Malaysia, Mexico, Morocco, The Netherlands, New Zealand, Norway, Philippines, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, and Turkey.



## Ask the Auditor..... *by Diana Kangas, CIA, CPA NV Energy*



### Question:

Often, I need to negotiate with auditees over issues I'm including in my audit report. Are there any techniques I can employ to make the negotiation process easier?

### Answer:

One of the most useful skills for an auditor is the ability to negotiate with the auditee. Nobody likes to be criticized, especially in the middle of an uncertain economy, with layoffs at nearly every company. Throughout an audit, you may need to negotiate with the auditee to assure cooperation. At the reporting stage, it may be even more critical, since you are asking the auditee to stretch already thin resources to implement your recommendations. The following strategies could help reduce the "pushback" during audits:

1. **Build trust.** As an internal auditor, always remember you are on the same team as your auditee. Rather than approach with an "us against them" attitude, focus on solutions to help the company. When an auditee senses you have a genuine interest in improving the company, he is more likely to work with you.
2. **Be a salesperson.** Not everyone understands the concepts of risk and controls. You may need to explain why the auditee should implement your suggestions and how the company will benefit.
3. **Put yourself in the auditee's shoes.** If an auditee is especially resistant to a recommendation, try to figure out why. Solicit solutions from the auditee. He may know a better way to fix the problem that you never thought of. When the auditee contributes to the solution, it's much more likely that he will follow through with it.
4. **Give recognition when due.** If an auditee has been especially helpful, be sure to let his supervisor know. By acknowledging when people go beyond expectations, you are more likely to receive cooperation in the future.
5. **Attack problems, not people.** You should always focus on the problem and its solution, and avoid pointing fingers or making value judgments. By the same token, if an auditee directs an emotional outburst at you, don't become defensive. Rather, bring the focus back to the problem and the audit objective.
6. **Seek support.** As the person with the most direct contact, you must maintain a good working relationship with the auditee. To keep the relationship harmonious in the face of significant resistance, the auditor can defer these decisions to the audit manager.
7. **Spread best practices.** Always try to help an auditee improve, even when you don't find a problem. Identifying a specific thing a previous auditee did well (e.g. maintained current, well-documented procedures) could motivate the current auditee to excel. As the company becomes more aware of best practices, future audits are likely to be easier.
8. **Give yourself "wiggle room".** Document all your findings, including the small ones. When you are willing to waive the less important findings, the auditee may be less inclined to resist the more significant ones.

Do you have a burning question that needs to be answered? Or do you have a question and answer that you would like to share with our members? Send your questions and suggestions for questions/answers to [DKangas@nvenergy.com](mailto:DKangas@nvenergy.com) and look for them in the next issue of **The Auditorial.**

## Member Corner



Welcome to the Member Corner! Each issue we will be introducing you a member of our chapter. This month may I introduce Randy Seeber!

**Job Title:** Director of Internal Audit, Nevada National Guard

**Location:** Carson City, NV

**Certifications:** CIA, CGAP, CDFM (Certified Defense Financial Manager)

**Audit Experience:** 14 years

**Education:** MBA

**Hobbies:** Golf and touring the wine country

**Trips:** St. Lucia in July

**Achieved Goal:** Recently retired from the military with 29 years of service

**Future Goals:**

- (1) Continue to strive to become a world class auditor (I believe I will never reach this goal, but may come close).
- (2) Shoot a par round in golf (72).

## Did you know.....

That if you are a member of the Northern Nevada Chapter you can place job postings in the Auditorial? Job postings can include non-audit positions as well as audit positions. Not only will it appear in the newsletter but the chapter website too! Simply contact [sharon.poe@igt.com](mailto:sharon.poe@igt.com) to get your organization's job openings posted.

## We need your ideas!

Do you have ideas, suggestions, articles, facts, photos, etc. that you would like to see in The Auditorial? We would love to hear from you! Please send your ideas to Sharon Poe at [sharon.poe@igt.com](mailto:sharon.poe@igt.com) .



## Just Breathe

As a fellow auditor you can probably relate to the challenges of meeting deadlines, whether it's a hard deadline, trying to finish THE holy grail of audit plans, or just wrapping up an engagement before the next one rolls around (and it will all too soon!). And let's face it; few audits go off without a hitch despite our best planning efforts. It's little wonder then that we, like so many professionals, often find it difficult to achieve a healthy work-life balance. But rest assured that achieving work-life balance is within our control.

One of the biggest challenges is that your view of a healthy work-life balance may not be shared; it can mean different things to different people depending on your situation or viewpoint. For example, you might give little thought to accepting additional work projects if you find the work rewarding. And you might view travel as a reward in itself, especially if you happen to be expanding your skills and visiting interesting places. Of course, achieving that balance might be harder if you happen to be pursuing multiple advanced degrees in your *vast* spare time or if you have little ones depending on you. Travel might be viewed as an intrusion in this case, particularly if you have limited support at home. Company benefits such as tuition reimbursement, subsidized day care and flexible work schedules become increasingly important in these situations. The key take away here is that you are in control even in a depressed economy with the country facing high unemployment. Seek out the right opportunities for your situation and always have an open dialogue with your manager and peers about what this balance means to you.

Keep in mind that the balance you strike today may not be the balance you strike next year, or even tomorrow, because your goals and priorities may change over time. Does working a few longer days or the occasional weekend mean that you haven't achieved proper balance? Of course not; life is fluid and likely so is your schedule. You may choose to work more this week because you're excited to do a great job on a particularly interesting or special project, or perhaps simply because you'd like to take a little more personal time next week. Your job shouldn't run your life. As a professional, you are accountable for your time and for meeting your commitments. So take full responsibility for your performance and for whether or not you meet deadlines, and don't be afraid to ask for help if you need it. Approach this holistically with a goal toward achieving an overall balance in your life.

Here are some additional ideas to help you achieve a healthy work-life balance that's right for you:

**Always over-communicate:** Your manager can't read minds no matter how talented he/she is. Explain your situation and don't be afraid to ask for what you want. You may not always get it, but at least your manager will be aware of the situation and will probably try hard to meet your needs. Managers tend to reward a strong work ethic and know that happy employees lead to improved staff engagement and productivity, as well as better recruitment/retention.

Also, respect your manager/peers by providing constructive updates on your workload. Communicate early on regarding road-blocks or if you can't complete a project on time, and don't be afraid to say no if you absolutely cannot fit another project in – providing your manager with a reasonable time estimate to complete projects can be helpful in establishing priorities.

**Be productive:** Sure, 'chatting' at work can be a nice diversion, but it doesn't help you complete projects. Email and constant interruptions can also affect productivity, so managing this is important. Ironically, investing a little time for you during the day can reap rewards i.e. taking a walk or stepping away from a difficult issue can be beneficial. Also, take advantage of training opportunities that will help you become a more efficient and effective auditor.

**Don't bring work home:** None of us are perfect, but the goal is to be productive at work so that you aren't routinely bringing work home on your laptop, iPad or whatever portable technology that's allowing you to be a mobile auditing machine. It can be mentally draining to think about work all the time, and it's okay to turn off the Blackberry or iPhone once in a while.

**Take care of yourself:** Exercise, eating healthy, and getting enough sleep can help you to be at your best, which translates to increased productivity at work and more time for you and your family at home.

You can achieve a work-life balance that's right for you, though ironically it takes work. Don't forget to communicate frequently, make the most of your time at work and try to avoid routinely bringing work home. Most importantly, take care of yourself so you can perform at your best. Will every day be in blissful balance and perfect harmony? Probably not, though the real goal is to achieve an overall balance that suits you. It's okay, go ahead and breathe!

Alan Lawrence, CIA, CPA  
Director Corporate Audit  
International Game Technology

## Chapter Contacts



### 2010—2011 Officers

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### 2009—2010 Board of Governors

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May 2010	Brandon Gibson	<a href="mailto:bgibson@renown.org">bgibson@renown.org</a>
May 2014	Joshua Mahnke, CIA, CFE	<a href="mailto:joshua.mahnke@harley-davidson.com">joshua.mahnke@harley-davidson.com</a>

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P.O. Box 19794

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