Institute of Internal Auditors-Lansing Chapter

http://www.theiia.org/chapters/Lansing

Courier

Volume XIII, Issue 4 November Issue 2012

SEPTEMBER MEETING

TOPIC:
Command Line Basics for IT Auditors

SPEAKER:
Sean Verity,
MSUFCU

WHEN:
November 13, 2012

WHERE:
Coral Gables Restaurant
2838 E. Grand River
East Lansing, MI

AGENDA:

Registration:	7:30 am
Breakfast:	7:30 am
Program:	8:00 am – 9:00 am

PRICES:

Members:	**$14.00**
Non-members:	**$20.00**
Students:	**$ 7.00**

MENU:
Breakfast

RESERVATION DEADLINE:
Friday, November 9th, 2012

Contact: Bill Papanikolas
Phone: (517) 364-2134
Fax: (517) 364-3567
Attn: Bill Papanikolas
IIA Reservation
Email: bill.papanikolas@sparrow.org

President's Message

It is hard to believe we are entering the month of November. Hopefully, everyone was able to deal with an extra hour of sleep this past weekend! Even with extra sleep you cannot overcome the need for additional knowledge and skills. Your local IIA chapter recognizes this need and is presenting two programs this month.

Sean Verity, MSUFCU, is speaking at the November Breakfast Meeting on the Topic Command Line Basics for IT Auditors. The aim of this presentation is to provide practical solutions to IT Auditors that will allow them to automate mundane testing procedures, gain a greater understanding of the network they are auditing, and add value in assessing the quality of third party IT security service providers. See the Other Chapter News section for more information.

In addition to our monthly breakfast meeting we are also offering a two-day conference: "Risk-Based Auditing." The conference will be held November 19-20th and is 16 CPE credits for two days. The speaker Raven Caitlin, has various experiences speaking to internal audit groups. See the Other Chapter News section for more information.

November also marks the start of a holiday season. Most of the time we are too caught up in our busy lives to recognize what is truly important. There is no better time to take a step back and acknowledge those that make a difference to us. Behind every "good person" is an even better one!

Also today November 6th, is Election Day. Don't forget to perform your civic duty and head to the polls!

If you want to get involved in any way you can email me directly at orourk36@msu.edu. We would love to have your help for any amount of time in any area. See the Other Chapter News section for current openings.

Ryan O'Rourke
President, Lansing Chapter of the IIA

2012-2013 Lansing Chapter

Officers:
Ryan O'Rourke, CPA
President

Opportunity to Get Involved!
Vice President

Sarah Saunders, CIA, CFSA
Immediate Past President

Angela Mills, CIA
Past President

Jana Dean, CIA, CPA
Secretary

Mary Beth Leininger, CPA, CIA
Treasurer

Committees:

Kathryn Krause, CIA, CISA, CFE
Audit

Opportunity to get involved
Communication

Mary Beth Leininger, CPA, CIA
Finance and Administration

Ryan O'Rourke, CPA
Membership Services

Sarah Saunders, CIA
Emily Crampton
Professional Development

Jana Dean, CPA, CIA
Nomination

The IIA's Certifications

In these tough times, it is even more critical to distinguish yourself by demonstrating the highest level of professionalism. You can do this by earning the Certified Internal Auditor® (CIA®) certification. Click here to review information on CIA Certification as well as other IIA sponsored Certifications.

The CIA exam is available through computer-based testing, allowing you to test year-round at more than 500 locations worldwide. The Certification Candidate Handbook is your guide to the application, registration, and certification processes. It is available to download in English.

The IIA also offers premier quality CIA preparation materials. The IIA's CIA Learning System is an interactive print and Web-based program designed to provide comprehensive and flexible training to CIA candidates worldwide. This new program provides timely analysis of practical audit procedures found in today's global organizations and on the CIA exam.

Treasurer

On deposit at the Lake Trust Credit Union as of 10/01/2012:

Savings:	**$ 5.00**
Checking:	**$ 7,656.78**
Money Market:	**$ 4,689.04**
Total:	**$12,350.82**

Membership Directories

The 2011-2012 Membership Directory is available at http://www.theiia.org/chapters/Lansing, under the member's only section. Please take a minute to review the membership information listed. The 2012-2013 membership directory is not listed yet.

If any changes/corrections are needed, please send information to Ryan O'Rourke at orourk36@msu.edu. Also, please be sure to update your contact information directly with IIA Customer Service.

Thank you!

Lansing Chapter Post Office Box

Our P.O. Box address is:

Lansing Chapter of the IIA
PO Box 11029
Lansing, MI 48901-1029

We check the box on a weekly basis.

Newsletter

For submission of articles or information to include in upcoming Newsletters please contact one of the Board members, or e-mail Ryan O'Rourke orourk36@msu.edu or Angela Mills asmills@gmail.com. Should your email address change, please contact one of us as well as update your Membership record (See Membership).

Occasionally, the various email servers may not forward the newsletter to their destination. If you are not receiving the newsletter, please let us know so we can investigate.

Membership

Please be reminded that any member name or address changes, including email addresses need to be submitted to IIA headquarters. Our local chapter **official** membership records are maintained based on information that is provided by headquarters in monthly updates. Changes may be submitted on-line https://www.theiia.org/iia/profile/index.cfm or using the form contained in the back of your Lansing Chapter membership directory.

IIA Links

IIA Links: Choose from the links below to view the various IIA Informational links (some require logins and are only accessible by IIA members):
Certification News
Link to Learning Opportunities
Audit Executive Center

IIA Newsletters
IIA Today
Tone at the Top (free to the public)
IIA ITAudit
IIA Electronic Newsletters
Internal Auditor IIA Newsletter
FSA Times
IIA Research Rpt (free to the public)
The Gaming Auditorium quarterly publication for members of The IIA's Gaming Audit Group (click to join) to support knowledge development for gaming audit professionals.

IIA Lansing Chapter Information

Did you know you can connect with the Lansing IIA via social networking sites? If you are a member of the following sites, please consider joining the Lansing IIA groups by clicking on the links listed below. Both sites allow users to stay in touch with fellow members, as well as participate in discussion boards.

IIA Lansing Chapter LinkedIn

LinkedIn is a business-oriented social networking site, used mainly for professional networking. To visit and join The IIA Lansing Chapter's LinkedIn site: Click here.

This site will allow you to stay in touch with fellow members as well as be part of a network of professionals with similar career interests.

IIA Lansing Chapter's Facebook Page

Facebook is the fastest growing social networking site where users add friends and are able to join various networks organized by such criteria as location, schools, or workplace. Please visit The IIA Lansing Chapter's Facebook page by looking up "Lansing IIA" while logged into your Facebook account.

News From IIA Headquarters

Upcoming conferences from the IIA Headquarters website are included below. For more information on each conference use the link below:

https://na.theiia.org/training/conferences/Pages/Conferences.aspx

Details on the upcoming conference listed after the table.

Upcoming Conferences

Conference	Date	Location
General Audit Management Conference	March 18–20, 2013	Las Vegas, NV, USA
Gaming Conference	April 3–5, 2013	Las Vegas, NV, USA
2013 International Conference	July 14–17, 2013	Orlando, FL, USA
Governance, Risk, and Control Conference	August 19–21, 2013	Phoenix, AZ, USA
MOSAIC: A Convergence of Ideas	New in 2013!	Details to be announced
Central Regional Conference	September 29–October 2, 2013	Columbus, OH, USA
All Star Conference	October 14–16, 2013	New Orleans, LA, USA
Midwestern Regional Conference	November 3–6, 2013	Minneapolis, MN, USA

2013 General Audit Management Conference

March 18-20, 2013
ARIA Resort and Casino / Las Vegas, NV

The 2013 GAM Conference provides an opportunity for CAEs, Audit Committee and Board Members, and financial and executive management to expand your professional network by 1,000+, and to gain insight into new approaches for "Driving Change and Delivering Results," within your organization and to your stakeholders.

As a conference delegate, you will tap into the real-world perspectives of audit leaders representing globally recognized and Fortune 500 organizations including Home Depot, Office Max, Dell, Safeway,

Office Depot, American Express, Dow Chemical, MetLife, United Airlines, Georgia-Pacific, and others.

Taking GAM's center stage for the first time is Dr. Robert Kriegel, a leading authority in the field of leadership and change management, and author of the international bestseller, *If it ain't broke...BREAK IT* and *Business Week* bestseller, *Sacred Cows Make The Best Burgers*. Kriegel will prepare you as a leader to create a change-ready® organization that embraces can-do thinking, fosters innovation and passion, creates rather than responds to the future, and plays to win.

GAM was a sold-out event in 2012, so register early for the 2013 conference so you can take advantage of early registration pricing. Rooms at ARIA are US $209 plus a resort fee when reserved before February 15 (based on availability).

Register today and reserve your seat at The IIA's flagship event!

Join The IIA's Audit Executive Center at the Ambassador Level and receive complimentary registration to the GAM Conference. Visit www.theiia.org/CAE for details.

Pricing

GAM's larger-than-life program and location are being complemented by affordable pricing:

Registration Type	Rate
Member Super Early (by Nov. 2)	US $1,195 (US $300 savings)
Member Early (by Dec. 31)	US $1,295 (US $200 savings)
Member Regular	US $1,495
Non-member	US $1,695

Upcoming FREE Webinars

As part of your IIA Membership you have the opportunity to receive free CPE credits delivered to you through a webinar presentation. In the comfort of your own office you can register and view/listen to various webinar presentations brought to you by the National IIA organization. The upcoming members-only webinars are listed below:

Building and Maintaining a Robust FCPA Compliance Program – 11/06/2012

Building a Better Internal Auditor: Key Competencies for 2013 and Beyond - 12/18/2012

Please use the link below to register for these events:

https://na.theiia.org/training/eLearning/Pages/Webinars.aspx

Revisions to Internal Audit **Standards** *Approved*
Changes to Take Effect January 2013

The Institute of Internal Auditors (IIA) has announced changes to the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). The revised *Standards*, considered mandatory under The IIA's International Professional Practices Framework (IPPF), will go into effect Jan. 1, 2013. In total, 18 revisions were made, which are intended to improve the professional practice of internal auditing worldwide.

"The revisions clarify the existing language in some of the *Standards* to help ensure internal audit professionals can comply with the core tenets of internal audit professionalism," said Andy Dahle, chairman of the International Internal Audit Standards Board (IIASB). "The changes will help internal

audit focus on timely risks, stay aligned with exemplary practices, and maintain the appropriate stature. The *Standards* must be continuously monitored and updated as our profession evolves."

The IIA hosted a global web broadcast on Oct. 23 and Oct. 24 to review the changes to the *Standards*. Click on the link The IIA's website for the playback of this web broadcast.

Key changes to the *Standards* include:

- Clarifying the responsibilities of internal auditors, the chief audit executive (CAE), and the internal audit activity for conforming with the *Standards*.
- Increasing focus on the Quality Assurance and Improvement Program requirements and clarifying ways in which conformance may be achieved.
- Clarifying the CAE's role in communicating unacceptable risk.
- Explicitly requiring timely adjustments to the internal audit plan.
- Ensuring the audit plan covers risks to achieving strategic objectives.
- Adding more examples of what constitutes "functional reporting to the board."
- Adding the definitions of "overall opinion" and "engagement opinion" to the Glossary, as well as changing the definition of "board."

Proposed changes were based on input from stakeholder interviews and global surveys. The IIASB publically exposed the proposed changes for 90 days from Feb. 20 to May 20 of 2012. After reviewing the 1,685 responses to the exposure draft from individuals and organizations around the world, refining the proposed changes where appropriate, and making appropriate adjustments, the IIASB approved the revisions.

The IIASB follows a standards-setting due process for developing, proposing, and exposing changes to the *Standards*. The process is guided by the IPPF Oversight Council, which is responsible for overseeing the process followed by The IIASB in providing authoritative guidance.

According to IPPF Oversight Council Chairman Jim Sylph, the guidance-setting due process is designed to ensure transparency, clarity, and timeliness. "The Oversight Council considered and approved the due process followed by the IIASB in developing this guidance," said Sylph, who represents the International Federation of Accountants on the Oversight Council (IFAC).

As indicated by its full name, The IIA's *Standards* is global in scope and applicability. Likewise, the IPPF Oversight Council reflects stakeholders, experience, and expertise from all around the world. Independent organizations represented on the Oversight Council include the IFAC, the International Organization of Supreme Audit Institutions (INTOSAI), the National Association of Corporate Directors (NACD), the Organization for Economic Co-operation and Development (OECD), and the World Bank.

Other Local Chapter News

November Breakfast Meeting

Please join us for our November Breakfast Meeting. A brief description of our topic and bio of our speaker is included below:

Description

Linux distributions are equipped with several "tried and true" programs (grep, bash, netcat, etc.) that are very useful in retrieving and parsing raw data. Many IT auditors are likely to have Linux running on a virtual or physical machine that has been dedicated to IT security testing. However, an IT Auditor is probably spending the majority of their workday(s) at their primary workstation which is likely running Microsoft Windows.

While not as well known, Microsoft also offers several (native) console applications that can achieve very similar results as several well-known programs written for Linux-based operating systems. The aim of this presentation is to provide practical solutions to IT Auditors that will allow them to automate mundane testing procedures, gain a greater understanding of the network they are auditing, and add value in assessing the quality of third party IT security service providers.

Bio-Speaker

The majority of Sean's IT experience was gained while serving in the United States Marine Corps from 2005 - 2011 as a Communications Officer (≈ IT Manager). During that time, Sean realized that he wanted to spend less time "pushing paperwork" and more time "pushing buttons" so he decided to pursue IT professions that offered more hands-on opportunities. Sean became interested in IT Security towards the end of his Marine Corps career and spent most of his waking hours researching all things related to IT Security and Unix-like operating systems. Sean is currently an Information Systems Auditor at Michigan State University Federal Credit Union. Sean's experiences in this role include IT general controls testing and various forms of security testing (web application, mobile application, and network penetration testing). Sean enjoys programming and studying/developing exploits in his spare time; most notable accomplishment in this regard is collaborating on a recently committed Metasploit post-exploitation module (post/windows/gather/enum_unattend). Sean lives in Owosso, MI with his wife and two dogs.

Please use the following link to register:

http://www.theiia.org/chapters/index.cfm/view.events/cid/163

Risk Based Auditing - Conference Event

A two-day event titled "Risk based auditing" is being brought to you by the Lansing, Western Michigan, Michiana and Fort Wayne Chapter of the IIA.

When: November 19th & 20th
Where: Davenport University's Lettinga Auditorium 1st Floor, West Entrance
6191 Kraft Avenue, SE Grand Rapids, MI 49512
What: Two Day Conference (Topical Areas Listed Below)
CPE's: 16 for 2 days, Auditing
Cost: Member Rate - $250, Non-Member Rates - $300, Student Rate - $80
Breakfast and Lunch is provided.

The topics to be discussed each day are:

Day 1

- Internal Auditing standards
- Integrated auditing
- Risk and control concepts and frameworks overview
- Audit planning steps
- Determining business objectives and critical business processes
- Identifying, assessing, evaluating and prioritizing risks (case study)
- Creating risk assessment questionnaires
- Interviewing techniques for conducting risk assessment (case study)

Day 2

- Completing the engagement level risk assessment (case study)
- Setting audit objectives and scope (case study)
- Identifying and documenting controls (interviews and process documentation)
- Assessing the adequacy of control design
- Creating an audit program (case study)
- Testing the effectiveness of controls
- Communicating risk-based audit results.

To register please visit To register please visit the West Michigan IIA Chapter Website, link:

http://www.theiia.org/chapters/index.cfm/home.page/cid/125

NOTE: Registration is a two-steps process: click "Register Me" to register and click the "PayPal" button to pay online.

Speaker-bio

The Speaker is Raven Catlin, CPA, CIA, CFSA. Raven is an internationally recognized speaker and instructor in risk management and internal audit. She possess over 15 years of diverse internal audit experience and 11 years of instructing and facilitating a variety of courses. With this diverse experience, Raven teaches how to accomplish goals they only dreamed possible. Through her seminars and presentations, you will gain valuable skills, motivation, and belief systems to achieve success.

Breakfast Meeting Schedule

At our August board meeting we approved the following tentative schedule for our 2012-2013 breakfast meetings. As you can see we are not finalized for the program year at this point. If you would like to speak or know someone who could please let us know. You can email us at lansingchapterIIA@gmail.com or orourk36@msu.edu.

Date	Speaker	Topic	CPE
11/13/2012	Sean Verity, MSUFCU	Command Line Basics for IT Auditors	1
12/11/2012	Duane Rehyl	Ethics	2
1/8/2013	Maunda Land, IIA Headquarters	IIA Headquarters Presentation	1
2/12/2013	TBD	TBD	1
3/19/2013	Jay Taylor, GM Audit Services	ERM	1
4/9/2013	Patrick Cole, Crowe Horwath	Auditing Human Resources	1
5/14/2013	Angelina Chin, GM Audit Services	Ideas to improve IA efficiency and effectiveness	2

Officer/Committee Openings

Vice-President

The Vice-President position is vacant. If you take on this position you would have a chance to attend the annual IIA Leadership Academy Training at the Disney Resorts in Florida. The Leadership Academy provides targeted training for you to serve as a Vice President as well as skills that transfer to your current employment. You will have a chance to discuss questions with experienced IIA Leaders and other persons taking on the Vice President role in their chapters. As the Vice President you also get an opportunity to network with other professionals in your field and can obtain skills and idea to take back to your current employer. Some of the specific duties of the Vice President include managing with the Program Committee to plan programs for the upcoming year and managing and reporting committee activity. This task will take you approximately 5-10 hours a month depending on workload for each month. This is a great opportunity to build your leadership skills and network resources for current or future employment. If you are interested please email me directly at orourk36@msu.edu.

Other Tasks/Committee Volunteer Help:

As we review the important tasks to be completed we are looking for volunteers to help with the following roles:

Newsletter Editor – This role would involve reviewing newsletter, compiling and locating articles to include newsletter. Time commitment for this task will vary.

CAP Report – Preparing CAP report. Time commitment is approximately 20 minutes per month.

Assistant Webmaster – Assist the webmaster with their duties. Time commitment will vary.

If you are interested in volunteering or want more information you can email me at orourk36@msu.edu.

Committees and Descriptions:

Below is the name and brief description of the duties of our committees:

Audit - Arrange for the timely independent review of chapter records at the close of each chapter year and submission of the signed report.

Communication – The key function of this committee is to provide communication to members of the chapter's activities. This includes communication through the newsletter, social media website, from National IIA, etc.

Finance and Administration – The key function of this committee is to provide oversight for the financial and administrative matters of the chapter. This includes the budget, financial reporting, CAP Report, etc.

Membership Services – The key function of this committee is to maintain membership records and recognize member achievement.

Nomination - To submit to the chapter members the formal nominations, as provided for in *Chapter Bylaws*, for all officers and board of governors' vacancies. Unlike other committees this one is not appointed by the president. It is appointed by the Board of Governors' and will contain the president as part of the committee but not contain a majority of members who are represented on the board of governors. We need to have non-board volunteers for the Nomination Committee.

Professional Development – The key function of this committee is to arrange and provide programs for members. In addition other functions include advancing academic relations, research and certification.

All of the committees above are appointed by the President of the Chapter except for the Nomination Committee which is appointed by the Board of Governors'. All committees may have chairs as listed in page two of the newsletter; however, we can always use your ideas/input/volunteer help. Please consider if you have the time or talent to give a little time to your local chapter!

Board of Governors' and Scheduled Board Meetings:

Name	Term Expires
Sarah Saunders	June 2013
Diana McFadden	June 2013
Melanie Myjak	June 2014
Bill Papanikolas	June 2014
Doug Ringler	June 2014
Emily Crampton	June 2014
Craig Murray	June 2014

Our next Board of Governors' Meetings are scheduled for November 13th 2012 & March 19 2013. The meetings take place immediately following the monthly breakfast meeting at Coral Gables. If you have comments/questions/concerns or are interested in serving on future Board of Governors' you can email Ryan O'Rourke at orourk36@msu.edu. If you feel the need to attend a Board of Governors' meeting please let Ryan O'Rourke know in advance so we have accommodation for you and can build time for your concern into our agenda of business. We do not have further meetings scheduled at this point. If times or dates change for the board meetings scheduled above we will let you know.

The CAP

The Chapter Achieve Program (CAP) is designed by the Institute of Internal Auditors to guide chapters for developing quality programs and completing administrative duties in according with the Mission purpose of the IIA. There are four performance levels you can achieve.

- **BRONZE** - 685 CAP Points
- **SILVER** - 1,060 CAP Points
- **GOLD** - 1,560 CAP Points
- **PLATINUM** - This is a special level created to recognize chapters that attain GOLD status for 10 of 11 consecutive years. As indicated above our chapter remained platinum for the 2011-2012 year. We are looking to reach this status quo in the current year!

To obtain these points you report to the IIA on a monthly basis various points you obtain in one of three areas Service to Members, Service to the Program and Chapter Administration. All three of these areas have a minimum point total you must obtain to achieve one of the service levels above. Service to Members primarily involves attendance at monthly meetings, conferences and seminars. Service to the Program involves a number of different areas including Advocacy for the IIA and involvement with Academic areas such as student groups. The Chapter Administration involves administrative reporting requirements from the IIA.

Currently we are at 494 CAP points which is 32% of our yearly goal of 1,560. Our program year typically starts in September and ends in May which is when we earn most of our points.

October Fraud Dinner

The above picture was taken at our October Fraud Dinner Event. Sam Antar (White Shirt and Red Tie) was joined for this photo by attendees from the event. Sam was able to provide us his insight for committing one of the largest corporate frauds in recent history. Thank you for all who participated in the dinner. Also thank you to the Lansing Chapter ACFE for co-hosting the event!