



# The Institute of Internal Auditors Ozarks Chapter

September 2012

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## *President's Message*

Hello everyone!

I hope you had a great summer and are getting adjusted to the cooler days and back to school schedules.

The Board and committee members met in August to begin the Chapter year planning process. In addition to regular business, the meeting focused on ways to align the Chapter goals with the IIA's strategic plan. As always the Board is focused on providing quality education, with a goal of 10 educational opportunities annually, including 2 all day seminars.

In alignment with the IIA's motto, Progress Through Sharing, we are working to enhance communication, interaction and networking among members. The Membership Committee has plans for the annual holiday social in December and is considering an additional networking opportunity next year. They are also developing a member recognition program to show appreciation for the support you provide the chapter and the profession. We would love to see you start exchanging ideas on the new LinkedIn group as well.

Thanks to all who attended the late summer/early fall seminar-it was very well received. Danny Goldberg is an engaging speaker and did a fantastic job stimulating discussion and interaction among the attendees. The Programs Committee has some great speakers lined up for the coming months. We welcome Ron Rosendahl who has joined Dave and James on the committee!

On behalf of Chapter leadership, we thank you for your support and look forward to seeing you at upcoming events!

Lori Cantrell, President  
IIA Ozarks Chapter



## IIA Members Only Webinar

The IIA offers webinars each month to members at no cost. Speakers and topics vary, but participants receive 1 NASBA CPE for each webinar. Registration is required, see The IIA website for registration details. Additionally, previous members only webinars are archived and accessible to members at no cost from The IIA website.

### **The next Members Only webinar:**

**Title:** FRAUD RISK ASSESSMENTS: ARE AUDITORS ASSESSING THE RIGHT RISKS?

**Date:** TUESDAY, OCTOBER 16, 2012

**Time:** 12 NOON—1 P.M. CST

Visit The IIA website for registration and more information: [www.theiia.org](http://www.theiia.org)

## Upcoming IIA Members Only Webinars

The IIA also publishes scheduled upcoming Members Only Webinars. Mark your calendar, register for the topics that interest you, and earn free CPE!

### **November 2012:**

**Title:** Building and Maintaining a Robust FCPA Compliance Program

**Date:** TUESDAY, NOVEMBER 6, 2012

**Time:** 12 NOON—1 P.M. CST

### **December 2012:**

**Title:** Building a Better Internal Auditor: Key Competencies for 2012 and Beyond

**Date:** TUESDAY, DECEMBER 18, 2012

**Time:** 12 NOON—1 P.M. CST

Visit The IIA website for registration and more information: [www.theiia.org](http://www.theiia.org)

## New Cancellation Policy

The Chapter Board approved a cancellation policy for seminar and luncheon registration. If registration is not cancelled by the specified cut-off date for the respective function, a \$20 cancellation fee will be charged to cover food costs incurred by the Chapter. This ensures the Chapter retains the ability to offer low cost CPE opportunities.



# Chapter Board Minutes

Minutes from the board meeting on August 21, 2012

**Attendees:** Present: Judy Aug, Andy Clemens, Avery Hudson, Jennifer Jenkins, Teri Harris, Shannon Thomason, Lori Cantrell, Cindy Bennett, Dave Kimmerle, Jamie Foster, Krystal Kauffman, Sharon Eagleburger Absent: James Boutwell, Brenda Putman

## **Chapter By-Laws**

A discussion was held regarding the updates made to the by-laws. Changes were approved on a motion made by Judy Aug and seconded by Avery Hudson. The by-laws will be presented to membership for approval in April.

## **Bank Balance**

Lori Cantrell suggested establishing a range for the bank balance similar to the guidance issued by IIA Headquarters. Multiple ranges were discussed and determined that \$75-125 per member as a target was appropriate. Ranges were approved on a motion made by Avery Hudson and seconded by Shannon Thomason.

## **Bonding**

Lori Cantrell posed a question surrounding the necessity of bonding the Secretary and Treasurer. After a brief discussion it was decided that she would poll other District Chapters to see if their officers were bonded and check on prices.

## **Board/Committee Members**

Lori Cantrell noted that the IIA Headquarters recommends committee chairs serve on the Board. It was decided to officially add them immediately. She also noted that Shannon Thomason should be reclassified as "Past Past President". Official elections will be held in April. Board meeting composition was discussed and decided to have all Board and Committee members present at quarterly meetings and the Chapter would continue to pay the lunch cost. Changes were approved on a motion made by Shannon Thomason and seconded by Cynthia Bennett.

## **Reporting**

The status of multiple chapter reports due in the fall were discussed.

Membership and Recruitment Plan – plan to establish a member recognition program for involvement in chapter events. Planning an event potentially in May during Internal Audit Awareness Month.

Long Range Plan – discussed form changes that align local and national goals. Added information for IIA National Goals and maintained the majority of prior year's chapter goals.

Chapter Planning Checklist – questioned programs schedule, still need to book October and November.

Budget – in process. Will need to inquire with District Representative and Advisor about support numbers needed. Administration amounts include board lunches. Leadership Conference attendance for two officers will stay in the budget. Approved a donation to the Research Foundation and University IIA Magazine for cap points. Will evaluate Holiday Social expenses and membership recognition program and incorporate in the Membership committee budget. Lori Cantrell indicated adjusting the programs budget slightly for estimated seminar attendance.

## **Treasurer's Report**

Treasurer will provide a reconciliation of events from budget to actual income/expense and send to Krystal Kauffman and the Board. Current balance is \$10,809 after paying mileage for District Representative and Advisors. Tom Weber with KPM has volunteered to do the annual audit. 990 and annual certificate of good standing with the state are handled by Judy Aug and Brenda Putman. Bank statements need to be redirected to Krystal Kauffman as Audit Committee Chair going forward.

## **Programs Committee Chair**

Lori Cantrell requested clarifying duties such as contacting the hotel, lunch headcount, creating flyers, taking RSVP. Dave Kimmerle indicated he needed help if he were tasked with it all. Lori indicated she has volunteers that might be interested in dividing duties.

## **Membership Committee Chair**

Newsletter is ready to go today with another one in progress. Working on a recognition card.

## **CAP Report**

Shannon Thomason recently sent Julys CAP report and copied everyone. Lori Cantrell inquired about a projection to indicate progress towards Gold status. Shannon indicated it would be possible but felt we were ahead of normal making Gold status at this time.

## **Other Topics**

Luncheons and Seminars - A cancellation policy on lunches and seminars was discussed to cover the cost of food. The deadline would be posted on flyers and in the newsletter. If cancelling after the cutoff \$20 is owed for luncheons and seminars. An early bird discount for seminars was discussed but decided not to offer at this time. The price increases and cancellation policy were unanimously approved. The consensus was that we were still offering affordable CPE but allowing for additional income opportunities to give back to the chapter with social, recognition, and student events as well as increasing donation opportunities.

Website –Andrew Clemens indicated it would be converted next month and hopefully be easier to use. Plans to update history section and include head shots of officers. Anything to be uploaded can be sent to Andy. Lori Cantrell discussed expanding access.

LinkedIn – Lori Cantrell reminded everyone of the new Chapter LinkedIn group to share upcoming information regarding Chapter Events.

The next Chapter Board meeting will be held on November 20<sup>th</sup>.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Jennifer Jenkins  
Past President



# Membership Corner

## Membership Anniversaries

The Ozarks IIA Chapter would like to recognize milestone memberships for the quarter (1, 5, 10, etc). Thank you for your continued support!

### One year:

Karen Koeppen  
Autumn Woody—WCA Waste Corporation  
Gavin McAllister—Leggett & Platt

### Five Year:

Kelly Dalton—Associated Electric Cooperative  
Tarah Sherwood—Leggett & Platt  
Brittany Marcus—Associated Electric Cooperative  
Amanda Jones—Great Southern Bank

### Ten Year:

Pamela Miller—Leggett & Platt  
Cheryl Donegan—Trinity Mother Frances Health System

### Twenty Year:

James Boutwell—CHAN Healthcare Auditors



## Welcome New Members

Heather Cook—Leggett & Platt  
Maria Karraa—Leggett & Platt  
Matt Flanigan—Leggett & Platt  
Linda Parker—Leggett & Platt  
Jessica Brock—Jack Henry & Associates  
Tammy Kelley  
Shawn Barbour—The Whitlock Company  
Josh Beaird—The Whitlock Company  
Laura Patrick—BKD, LLP  
Kelley Gorman—Leggett & Platt  
Brennan Martin—Leggett & Platt  
Brian Ward—Leggett & Platt

On behalf of the Ozarks IIA Chapter, welcome!





# Audit Department Feature

This edition's Audit Department Feature is Leggett & Platt, which is our Chapter's largest member company. Leggett & Platt also provided the member article on the following page regarding challenges incurred when auditing internationally. Thanks Leggett & Platt for the great article and information about your team.

## Company

Leggett & Platt (NYSE: LEG) is a diversified manufacturer (and member of the S&P 500) that conceives, designs and produces a variety of engineered components and products that can be found in most homes, offices, and automobiles. The 129-year-old firm is comprised of 20 business units, 18,000 employee-partners, and 130 manufacturing facilities located in 18 countries.

Leggett & Platt is the leading U.S. manufacturer of: a) components for residential furniture and bedding; b) office furniture components; c) drawn steel wire; d) automotive seat support & lumbar systems; e) carpet underlay; f) adjustable bed bases; g) bedding industry machinery.

## Audit Team

**Ben Burns** is the Vice President of Internal Audit and Due Diligence. He has been with the company for 9 years working in internal audit. Prior to joining the L&P Internal Audit Department, Ben worked for the All-state Corporate in the Chicago area in internal audit positions. Ben earned a bachelor's degree in Accounting and an MBA at Pittsburg State University. He is a CPA licensed in the state of Missouri. Ben has been a member of the IIA for 12 years and is also a member of the AICPA and ACFE. He also serves as an advisory board member for the Internal Audit Educational Partnership Program and the Department of Accounting and Information Systems at Pittsburg State University.



**Back (l-r) Gavin McAllister, Andrea Gordon, Brian Ward, Chris Cobb, Monte Franks, Derek Durman, Lindsey Odaffer, Joe Earhart. Front (l-r) Ben Burns, Nathan Dalton, Alexa Keller, Cheryl Jones, Nelda Patrick, Lucy Jiang, Brennan Martin, Kelley Gorman, Irina Stout and Tarah Sherwood**

**Monte Franks** is the IT Audit Manager. He has been with the company for over 15 years, 6 of these in the Internal Audit department. Monte has a bachelor's degree in Information Business Systems from Missouri Southern State University. Monte has been a member of the IIA, ACFE for 6 years and has multiple certifications (CISA, CRISC).

**Joe Earhart** has worked at Leggett & Platt for 30 years and transferred to the Internal Audit Department in November of 2005 as a Manager of Compliance Auditing and is now Manager, Due Diligence. He holds a bachelor's degree in Accounting from Missouri Southern State University. He is a CPA licensed in the state of Missouri and has been a member of the IIA for almost six years.

**Lindsey Odaffer** began in the Leggett & Platt Internal Audit Department in May of 2005 as an Internal Audit Intern and has progressed to the position of Internal Audit Manager. She holds a bachelor's degree in Accounting and a Master's of Business Administration, both from Pittsburg State University. Lindsey is a CPA licensed in the state of Missouri and is also a Certified Internal Auditor. She has been a member of the IIA for over 10 years.

**Nathan Dalton** holds a bachelor's degree in Accounting and a Master's of Business Administration, both from Pittsburg State University. Nathan joined the Internal Audit Department at Leggett and Platt in May of 2005 as an Internal Audit Intern and has progressed to the position of Internal Audit Manager. He has been an IIA member for over nine years.

**Adesubomi O. Soluade** joined the Internal Audit Department in 2006. She holds a Bachelor of Science Degree in Accountancy from the University of Central Missouri and a Masters in Business Administration from Indiana University. Adesubomi currently is a Senior Internal Auditor.

**Tarah Sherwood** joined the Internal Audit Department at Leggett & Platt, Inc. in 2007. She holds a Bachelor of Science Degree in Accountancy and a Master of Business Administration Degree, both from Missouri State University and is currently an Internal Audit Supervisor. Tarah is a licensed CPA in the state of Missouri and a Certified Fraud Examiner. She has been a member of the Ozarks Chapter of the Institute of Internal Auditors (IIA) since 2007 and is also a member of the AICPA.



## Audit Department Feature (continued)

### Leggett & Platt Audit Team (continued)

**Irina Stout** joined the Internal Audit Department in June 2006 as an Internal Auditor after completing her bachelor's degree in Accounting at Missouri Southern State University. Irina was promoted to Internal Auditor II in 2008 and Senior Internal Auditor in 2010. Irina is a CPA licensed in the state of Missouri.

**Chris Cobb** began in the Leggett & Platt Internal Audit Department in January of 2007 as an Internal Auditor and has progressed to the position of Senior Internal Auditor. He holds a bachelor's degree in Accounting and a Master of Accountancy, both from Missouri State University. Chris is a CPA licensed in the state of Missouri and is also a Certified Fraud Examiner. He has been a member of the IIA for over 5 years.

**Andrea Gordon** started working as an Internal Auditor with Leggett & Platt in January 2011. She graduated from Pittsburg State University with a BBA in Accounting and minors in Fraud Examination and Technical Writing. In February of 2012 she obtained her CFE designation, and is currently pursuing the CRMA.

**Alexa Keller** graduated from Pittsburg State University in May 2011 with a BBA in Accounting and Finance and a minor in Fraud Examination. She began work at Leggett & Platt as an Internal Auditor in January, 2011. She has completed the Certified Fraud Examiner examination and is currently pursuing her Certified Internal Auditor certification.

**Gavin McAllister** started working as a Corporate Tax Intern with Leggett & Platt in January 2009. In January 2011 he transitioned to an Internal Audit position in Corporate Internal Audit. He graduated in December 2010 from Missouri Southern State University with a BSBA in Accounting. He is currently pursuing a MBA through Northwest Missouri State and Missouri Southern State University.

**Derek Durman** began in the Leggett & Platt Internal Audit Department in January of 2007 as an Internal Auditor and has progressed to the position of Senior Internal Auditor. He holds a bachelor's degree in Finance from Pittsburg State University. Derek has been a member of the IIA for over 5 years.

**Mojia (Lucy) Jiang** began in the Leggett & Platt Internal Audit Department in May of 2012 as an Internal Auditor. She holds a bachelor's degree in Accounting from Beijing Technology and Business University, China. She also holds a Master's of Business Administration from Pittsburg State University.

**Brennan Martin** began in the Leggett & Platt Internal Audit Department in June of 2012. Before working at Leggett & Platt, he worked at People's Bank of Seneca for 4 ½ years. He holds a bachelor's degree in Accounting from Missouri Southern State University.

**Maria Karraa** started working at Leggett & Platt Internal Audit Department in May 2011 as an Internal Audit Intern. Upon graduation from Missouri State University, she was offered a full-time position at the Company. Maria holds a bachelor's degree in Accounting and is currently working to become a Certified Fraud Examiner.

**Cheryl Jones** has been with Leggett & Platt in the Internal Audit Department for 25 years. Cheryl attended MSSU in Joplin and is the Internal Audit Coordinator.

**Nelda Patrick** received her bachelor's degree in Education from Southwest Missouri State University. Her major of study was mathematics with a minor in business. She also possesses an Associate Degree in Computer Programming from Missouri Southern State University. After having a career in teaching, Nelda joined Leggett in 2009 as the Administrative Assistant to the VP-Internal Audit and Due Diligence.

**Terry Meeks** (Sr Internal Auditor) joined Leggett & Platt in 1998 and the Internal Audit Department in 2005. She is currently a regional auditor residing in North Carolina, and a member of the Triad Chapter of the IIA.

**Susan Klamm** holds a bachelor's degree in Nursing from the University of Wisconsin and a bachelor's in Accounting from Missouri Southern State University. Susan is a Certified Fraud Examiner and has been a member of the ACFE for three years and the Ozarks Chapter of the IIA for 6 years. Susan has worked for Leggett since 2007 and currently holds the position of Internal Auditor II.

**Kelley Gorman** began in the Leggett & Platt Internal Audit Department in May of 2012 as an Internal Audit Intern. She will continue to work in the Department part-time while completing her Master's of Business Administration from Pittsburg State University. Kelley holds a bachelor's degree in Applied Behavioral Science from the University of Kansas. She has been a member of the IIA for about two years.

**Brian Ward** brings over 21 years of Information Technology experience to the IT auditing group. With a bachelor's degree in Business Administration and 20 years supporting/managing IT efforts in the Manufacturing and Transportation industries, Brian combines previous IT roles such as VMware Administration, Unix/Windows Server Administration, SQL Database Administration, LAN/WAN Connectivity, User Security, and Applications Development to effectively validate compliance to Corporate IT Controls & Standards.



## Member Article

### International Challenges from an Auditor's Perspective

Constructing and implementing a universal audit plan is inherently difficult. It gets further complicated to implement the plan internationally in the face of language barriers, cultural differences, local policy and regulation variances, and differing macroeconomic issues. Leggett & Platt, Inc. operates 130 manufacturing facilities in 18 countries which makes this issue unavoidable for its internal audit partners. We are forced to embrace the differences, alter our perceptions based on the unique realities of each country and focus on maintaining a standardized level of compliance throughout the world. Challenges present themselves in all aspects of the planning, execution and follow-up of international audits. The top five challenges are discussed in greater detail below.

**Communication** Language barriers are difficult to overcome when traveling for leisure; imagine the frustration when the results of your communication must be recorded, reported to the external auditors and included in an audit report. There is no room for error in translation. To overcome this challenge, we seek out and hire employees with diverse backgrounds and make a priority to recruit individuals with advanced language skills. We utilize online translation tools and make the most of anyone at the manufacturing location that is proficient in English. We also have a Translation Services Department within our company that intercedes when all other methods fail. As Leggett & Platt continues to expand around the world and the global accounting community moves toward implementation of IFRS, it is imperative that we find a way to surmount this barrier and apply a consistent audit standard throughout our company.

**Time management and scheduling** Planning and executing an audit in a different time zone is complicated. In order to converse with the local Branch management, auditors learn to expect at least a one day lag between the question and the response. This typically translates into an audit planning process that takes twice as long as a basic domestic audit. Audit execution is also difficult because it is hard to get in touch with audit management in Carthage while on an international trip and difficult to follow up with supporting Corporate staff members if questions arise during the course of the audit. This requires our audit team to be efficient, proactive, and proficient at managing each international audit project from beginning to end. It takes several years of experience and many international trips before a staff member is allowed to function as the lead audit staff member on an international audit.

**Culture** The majority of our internal auditors were born and raised in the four states area. Embracing new cultures is not always something we learned in school or have experienced. Even if you have a lifetime dream of traveling, you have no idea how you will react to a different culture until you make your first trip. It's imperative of our audit group to share information about each destination with each other and research the lifestyles of those we are visiting. Senior audit staff members relay the major differences to newer staff members who plan to visit the country. We seek to recruit and hire flexible, adaptable individuals who are open to change and uncertainty so they are willing to accept the new cultures and habits of others.

**Global Economic Factors** In order to audit a country with which you are not familiar, it is very important to be aware of both the micro and macroeconomics factors in play for that country at the time of the audit. This is especially important when conducting fraud investigations throughout the world. Each country has its own statutory and regulatory differences that the audit staff must be aware of and we must strive to audit to our company policies and standards in light of those differences. We must be respectful of the differences and inquire about any policies that we do not understand. We also must determine how the law or regulation affects our audit testing. We constantly work with our Corporate support services to ensure that policies and procedures are properly implemented even when local standards may differ.

**Travel** Airports, hotels and restaurants all appear glamorous until your flight is cancelled or you're suffering from debilitating jet lag. When your job requires you to travel around the globe, you see sights and have experiences that you never thought possible. It's definitely a perk of our job that can quickly become a pain of our job. It's not easy to board a 12 hour flight to China or a 15 hour flight to South Africa and spend two weeks away from loved ones and home. It's hard to acclimate yourself to the time differences, the food differences, the language barriers and the cultural differences but it's also exhilarating! Traveling the world introduces you to people and places that you never before thought possible. But traveling the world also makes you so very happy when your plane touches down in the four states.

As you can tell, international auditing presents both challenges and excitement. It requires all of our audit staff to think outside the box and maintain flexibility. It requires adaptability, significant research, patience and hard work! Although many challenges are present, our staff is very lucky to work for a company that is able to give us these wonderful opportunities to explore the world!

—Submitted by Leggett & Platt



## Mark Your Calendar!

### Mark your calendar for these upcoming IIA events:

- **OCTOBER 23, 2012**—Luncheon, Bryan Clark, Deloitte, Risk Assessment
- **JANUARY 2013**—Luncheon, Greg Enyart, Secret Service (date not yet set)
- **FEBRUARY 12, 2013**—Luncheon, Charles Morgan, Department of Labor
- **MARCH 15, 2013**—Joint luncheon with ISACA, IT topic
- **APRIL 25, 2013**—Joint luncheon with ASWA, Ethics topic
- **MAY 15, 2013**—Spring Seminar, John Hall

**Location of Events:** The joint luncheon with ASWA will be held at 425 Walnut, all other events will be held at the University Plaza Convention Center.

## Reminders

- ✓ Please make sure that your information, including email address, is current with The IIA: Visit [www.theiia.org](http://www.theiia.org) and log in, then click on the link “Your Profile” at the top.
- ✓ Keep an eye on our [website](#) for any additional news and information!
- ✓ Do you have questions? Comments? Do you know someone that deserves recognition? Do you know of job opportunities? Would you like to contribute? Let us know. Chapter members are encouraged to contact any Officer with suggestions or comments.

## 2012/2013 Chapter Officers

### President

Lori Cantrell, Cox Health Systems  
[Lori.Cantrell@coxhealth.com](mailto:Lori.Cantrell@coxhealth.com)

### Vice President

Cynthia Bennett, Mercy  
[Cynthia.Bennett@Mercy.Net](mailto:Cynthia.Bennett@Mercy.Net)

### Secretary

James Boutwell, CHAN Healthcare Auditors  
[JBoutwell@chanllc.com](mailto:JBoutwell@chanllc.com)

### Treasurer

Avery Hudson, Liberty Bank  
[ahudson@therisingstar.com](mailto:ahudson@therisingstar.com)

### Past President

Jennifer Jenkins, Metropolitan National Bank  
[jjenkins@metronationalbank.com](mailto:jjenkins@metronationalbank.com)

### Board Member

Teri Harris, Guaranty Bank  
[tharris@gbankmo.com](mailto:tharris@gbankmo.com)

### Board Member

Brenda Putman, City Utilities  
[Brenda.Putman@cityutilities.net](mailto:Brenda.Putman@cityutilities.net)

### Board Member

Judy Aug, City Utilities  
[Judy.Aug@cityutilities.net](mailto:Judy.Aug@cityutilities.net)

### Past, Past President

Shannon Thomason, Empire Bank  
[Shannon.Thomason@empirebank.com](mailto:Shannon.Thomason@empirebank.com)

### Website Administrator

Andy Clemens, Kirkpatrick, Phillips & Miller  
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### Programs Chair

Dave Kimmerle, JQH  
[Dave.Kimmerle@jqh.com](mailto:Dave.Kimmerle@jqh.com)

### Membership Chair

Jamie Foster, Liberty Bank  
[jfoster@therisingstar.com](mailto:jfoster@therisingstar.com)