

The Audit Scope

Volume 23, Issue 8



April 2011

President's Message:

Please join me in congratulating our new officers and board members for next year:

Julie Pennington – VP Programs
Chris Johnson – Secretary
Ken Abitz – Board Member
Richard McMullen – Board Member
Mark Zillinger – Board Member

Please note that all other officer and board positions will be filled through the normal succession plan. If you have any questions on this, please do not hesitate to ask.

We held our last monthly meeting on March 1, 2011. The presentation was on Quality Assurance Reviews by Andy Dahle with Price Waterhouse Coopers. He discussed the IIA standards and the QAR process. This meeting was held at the SRS Learning Center.

Our April meeting will be held at 11:30 at the Washburn University Memorial Union on 4/6/11. The topic will be Privacy Risk in Social Media and the speaker is Gordon Braun with Protiviti. Also that morning before the April meeting, we will be holding a seminar worth 4 CPE. This will also be at Washburn. The speakers are Aaron Beam and Weston Smith, former CEOs of HealthSouth and they will be discussing their contribution to the fraud that occurred there.

I hope to see each of you at our meeting and seminar next month.

Dana Shipley
Topeka Chapter President

April Programs*

8:00 A.M. – 11:30 A.M.

April Workshop

Topic: HealthSouth Fraud

Speakers: Aaron Beam and Weston Smith

(coffee, tea, orange juice, water and light snack provided)

*Please see workshop flier at end of this newsletter for complete description of workshop.

April Lunch Meeting

Date: Wednesday, April 6, 2011

Place: Washburn University Memorial Union (Rooms A and B)

Time: 11:30 a.m. to 1:00 p.m.

Menu: Country Fried Steak
Country Gravy
Mashed Potatoes
Vegetable Medley
Tossed Salad
Brownies
Tea/Water

RSVP: By noon, March 28, 2011

Reservations: through registration form at end of this newsletter to Crystal Perez
cperez@capfed.com

Registration:

	Member	Non-member
Lunch mtg only	\$12	\$17
Workshop only	\$70	\$85
Lunch mtg & workshop	\$82	\$102

11:30 A.M. – 1:00 P.M.

April Chapter Lunch Meeting

Topic: Privacy Risk in Social Meeting

Speaker: Gordon Braun, Protiviti

Gordon Braun, CIA, CISA, CGEIT

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Gordon Braun is a Director with Protiviti. For the last eleven years, Mr. Braun has been providing internal audit and risk consulting services across several industries. He is an active leader of Protiviti's Central Area IT audit practice and has a particular focus on assisting clients with the assessment and management of business risks associated with the deployment and maintenance of technology. Mr. Braun has served as an engagement leader on multiple outsourced and co-sourced internal audit engagements. He has lead multiple IT Sarbanes-Oxley initiatives and has experience in all phases of Sarbanes-Oxley compliance, including scoping, documentation, gap analysis/remediation, testing, and executive reporting. Before joining Protiviti, Mr. Braun was with Arthur Andersen for three years. He earned his B.A. in English and Computer Applications from the University of Notre Dame and his MBA in Finance and Economics from the University of Chicago Booth School of Business. Mr. Braun has presented at multiple chapters of both the IIA and ISACA, at national webinars, SAP conferences, and multiple universities in the Midwest. He is also currently a member of the Board of Advisors for Pittsburg State University's Endorsed Internal Audit Program and was recently elected to the Kansas City IIA Chapter Board of Governors.

IIA Chat

Name: **Julie Pennington**

Employer and Position: **Legislative Division of Post Audit, Financial-Compliance Audit Manager**

Time in this position: **1 year**

Education: **BA – Business Administration, CPA, CIA, CFE**

What was your first job? **Carhop at A&W Drive-In Restaurant. I made \$1.45 per hour plus tips.**

What is your favorite food? **Chocolate**

What is your dream vacation? **About 12 weeks touring South Africa, Australia, and Israel**

What is your favorite TV show? **Criminal Minds**

What talent would you most like to have? **I wish I could sing**

What is your prized possession? **My horses, Levi and Prince**

What do you try to avoid? **Poison ivy and difficult people**

What would you like to get around to doing when you have time? **Write a book about the years spent working in developing countries**

How would you like to be remembered? **Someone who loved God and her family**

Who is the person you most admire and why? **Vera Hrabak. She is the best example that I've come across so far of what a woman of values and character is.**

How do you achieve balance between your personal and professional life? **Try to be organized, efficient and work hard while at the office to minimize the "overtime"**

What might people be surprised to learn about you? **I was in a "plane crash" once. If you want to know more, you'll have to buy the book – if I ever get it written 😊**

Study Habits to Avoid

Melissa Leonard
Gleim Chapter Coordinator

Gleim has offered a series of successful study tips to ensure IIA Chapter members pass the CIA exam on the first attempt. While all these tips are useful, it is equally important to know what study habits to avoid. Once a habit forms, it is difficult to break. Pay attention to these habits so you know what to avoid picking up from start to finish.

Cramming: While many people rely on the cramming method, it can be harmful to your physical and mental health due to the increase in stress and lack of relaxation that may result.

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Fix: Gleim's most successful candidates study for 6-8 weeks in advance! We guarantee that you will retain more knowledge with less stress if you study 10-15 hours a week for 6-8 weeks rather than 40 hours or more in 5-7 days. You will benefit greatly by spreading out your schedule in a manageable fashion.

Environmental Concerns: An uncomfortable study environment can prevent you from focusing while minimizing your comprehension and retention. Distractions such as a creaky chair, a broken desk, or a cold room distract you even in the most serene study spots. In short, you will likely spend more time adjusting to the environment rather than studying in the environment.

Fix: Try different sites until you find the best place for you. Remove any distractions before initiating your study session. For example, if the best place for you to study is the coldest room in the house or a cold library, dress in layers or bring a sweater so you can adjust. This is also good preparation for the actual exam since you cannot control the testing center's temperature. Also, be sure you have an alternate location in case your primary study spot is or becomes unavailable.

Bed Time: While beds may keep you cozy and care-free, they can make even the most disciplined of candidates drift off to dreamland.

Fix: Avoid studying on or near a bed or sofa. Make sure your study spot is comfortable but not going to cause you to get sleepy and cut your studies short.

Music's In the Air: Loud noises and music can interfere with the brain's ability to absorb information. It can also distract you from focusing on the material at hand.

Fix: If you prefer listening to music while you prepare for the exam, make sure it remains in the background rather than the foreground of your studying environment. Find a specific type of music, and stick to that style and volume throughout your study sessions. It is better for concentration if void of lyrics.

Remember, as a Topeka Chapter member, you will receive a 20% discount on the Gleim CIA Review

materials. Gleim has been helping CIA candidates pass the CIA Exam since its inception in 1980.

Contact Melissa at 800.874.5346, ext. 131 or melissa.leonard@gleim.com to take advantage of this offer or if you have any questions.

Do you have feedback on what you have read or suggestions on future topics? Maybe you are studying for the exam or have recently passed and want to share tactics you used. Email Gleim at iiachapters@gleim.com with your comments.

Melissa Leonard
Chapter Coordinator
melissa.leonard@gleim.com

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Hours: Mon-Fri 8am-7pm

Please visit our home page:
<http://www.gleim.com>

IIA CIA Update

Attention CIA Candidates - Save on Premier-Quality Prep Materials!

The IIA's CIA Learning System is a comprehensive and flexible training program that offers:

- Interactive print and Web-based study tools that teach the entire global CIA exam syllabus.
- Up-to-date content that has been aligned with the [2009 International Professional Practices Framework \(IPPF\)](#).
- [My CIA Review Plan](#) - a free, online tool to help you set a customized and realistic study plan.
- Web-based test questions to help prepare you for the computer-based CIA exam.
- CIA Practice Exam that simulates the Pearson VUE CBT testing software to build exam confidence.

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Go to www.learnica.com for information on courses and classes and www.learnica.com/chapters for IIA Chapter discounted materials.

FYI:

If you are interested in serving on a committee next year, please let one of the officers or board members know.

Chapter Website

Looking for a new job? Looking for current and past newsletters? Do you want to register for the monthly chapter meetings? Are you always looking for new resources for researching those best practices? If you answered "yes" to any of the above questions, then you should check out the Topeka IIA Chapter website at www.theiia.org/chapters/topeka. The website not only offers all of the features listed above, but it also allows our members to submit job postings, news, and events related to our local chapter and the internal audit profession.

Newsletter Articles:

Please contact Dana Shipley with any articles or suggestions for the newsletter. You may also know of special events (weddings, promotions, certifications, etc.) that you would like to put in the newsletter.

dana.shipley@westarenergy.com

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Chapter Objectives

Service To Members

- Education Objective: Offer over 20 hours per year of affordable CPE with more than 60% rated as excellent.
- Certification Objective: Two members become certified annually.
- Social Objective: Members get to know other members from different organizations.

Service To Profession

- Membership Objective: Increase active membership.
- Professional Development Objective: Hold 15 hours of seminar CPE annually.

- Academic Relations Objective: Promote the profession at Washburn University.
- Government Relations Objective: Keep government membership.

Chapter Administration

- Leadership Development Objective: Have 1 or 2 officers attend the Leadership Conference.
- Chapter Finance Objective: Have our lunch meeting fees cover the meeting expense; make additional income from the seminars to fund other activities (Leadership Conference, WU scholarship, WU student night).
- Communication and Participation Objective: Send out monthly newsletter and update website.

Topeka CAP Summary

As of: 03/07/11

Category	Minimum for Bronze	Chapter Points (to Date)	% of Minimum	Balance to Minimum
I. Service to Members	325.00	817.19	251%	Achieved!
II. Service to Profession	200.00	348.21	174%	Achieved!
III. Chapter Administration	160.00	240.00	150%	Achieved!
	685.00	1,405.41		

Total from Master Template: **1,405.41**

Current CAP Status: Silver

Targets:

Bronze	685.00
Silver	1,060.00
Gold (Platinum)	1,560.00

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Upcoming Local IIA Events

<u>DATE</u>	<u>TIME</u>	<u>LOCATION*</u>	<u>Sponsoring Chapter</u>
04/06/11*	Morning seminar 8:00-11:30	Washburn University	Topeka – Former HealthSouth CFOs discuss their contribution to the fraud that occurred at the company during the late '90s and early '00s – Aaron Beam and Weston Smith 4 CPEs
04/06/11*	Lunch meeting 11:30-1:00	Washburn University	Topeka – Privacy Risk in a Social Media Driven Society, by Gordon Braun, Protiviti 1 CPE
04/07/11	1:00-4:30 Hors d'oeuvres	Ritz Charles – Overland Park	I Should Have Said No – The Story of the HealthSouth Fraud – Aaron Beam, former CFO HealthSouth (2 CPEs - \$60 member; \$75 non-member)
04/07/11	11:30-1:00	U.S.Ag Bank	Wichita – www.theiia.org/wichita Matt List, of BKD, will be presenting on the topic of the “Financial Services Bill”
05/03/11	3:00	O'Dooley's – Emerald Room	Topeka – afternoon social/meeting Health Care Fraud: Schneider Medical Clinic, by Roger Palmer, BCBS 1 CPE

*Meeting will not be held on a Tuesday due to availability of the speaker.

The Audit Scope

2010-2011 Officers and Board of Governors

President	Dana Shipley	Westar Energy
1 st VP, Seminars	Shannon Wagner	Security Benefit
2 nd VP Meetings	Tiffany Lake	Westar Energy
Secretary	Valerie Burrell	Capitol Federal Bank
Treasurer	Crystal Perez	Capitol Federal Bank

Board Member	Ray Wheeler	FHLB Topeka
Board Member	Jeanne Slusher	Security Benefit
Board Member	Kyle Brewster	CHAN Healthcare
Board Member	Kathy Spain	Capitol Federal Bank
Board Member	Jenny Tryon	Westar Energy
Board Member	Kathleen Heaney	FHLB Topeka
Board Member	Jay Davis	SRS
Board Member	Robert Knott	Capitol Federal Bank
Board Member	Candace Hapgood	FHLB Topeka
Board Member	John Gibbons	Office of the State Bank Commissioner
Board Member		
Board Member		

Membership		
Academic Relations	Tom Clevenger	Washburn University
Government Relations		
Newsletter	Jeannie Macfee	Westar Energy
Seminars	Shannon Wagner	Security Benefit
Programs	Tiffany Lake	Westar Energy
Librarian	Nick Kramer	KHPA
CIA Program	Kathy Spain	Capitol Federal Savings
Audit Committee	Mary Hoover	SRS
Historian		
Directory	Julie Pennington	Legislative Division of Post Audit
Nominating	Dana Shipley	Westar Energy
Hospitality	Richard McMullen	KDOT
Web Site	Julie Pennington/ Richard McMullen	Legislative Division of Post Audit/ KDOT
Certificates	Bob Stambaugh	BCBS

TOPEKA CHAPTER IIA WORKSHOP HealthSouth – An Insider’s View

Who: Aaron Beam and Weston Smith, Former HealthSouth CFOs

What: The \$2.7 Billion Accounting Fraud at HealthSouth

When: April 6th 2011

Where: Washburn Memorial Union

Speaker bio:

Aaron Beam was born and raised in Louisiana. He graduated with a B.S. degree in Economics from Louisiana State University in 1967. After college he joined the US Navy and achieved the rank of E-5. His professional career began in Houston, Texas in 1971. He worked as controller for two small companies before earning his CPA in 1978. In 1980 he joined Lifemark Corp, a NYSE healthcare company. In 1984 he and Richard Scrushy started HealthSouth which grew to the 350th largest public company in the US. Aaron did take part in the fraud at HealthSouth and received prison time as a result. He retired from HealthSouth in 1997 and today operates a lawn service business and does public speaking.

Weston Smith is a graduate of the University of North Alabama with a Bachelors of Science degree in Accounting. He spent five years on the audit staff of Ernst & Young, where he earned his CPA license. In 1987, he was recruited to HealthSouth. During his tenure at HealthSouth, the company grew from 13 to over 2000 locations, located in all 50 states, Puerto Rico, Canada, the UK, and Saudi Arabia. Smith eventually rose to the rank of CFO in 2001. Weston also participated in and was the whistleblower of the fraud at HealthSouth. For his part in the HealthSouth debacle, he spent 14 months in Maxwell federal prison camp. Weston has been featured on CNBC and as a guest of Neil Cavuto on the Fox Business Channel.

What you will learn:

Aaron Beam and Weston Smith discuss the fraud from their perspective, boardroom pressures, Wall Street expectations, the pitfalls to look out for on the road to success, and about what the reaction should be when faced with breakdowns in integrity. Their stories are relevant because, unfortunately, bad decisions are made by people from all walks of life. Beam and Smith, as participants of the fraud (and in Smith’s case also as the whistleblower) make a compelling argument for courage and integrity within the workplace while telling how one decision cost each of them nearly everything.

Itinerary

8:00 A.M. – 11:30 A.M. HealthSouth Fraud – Aaron Beam and Weston Smith
(Coffee, Tea, Orange Juice, Water and light snack provided)

11:30 A.M. – 1:00 P.M. April Chapter Lunch – Gordon Braun, Protiviti
Privacy Risk in Social Media

Cost: (Please use registration form below)

HealthSouth Workshop: \$70 Members / \$85 Non-members

April Chapter Lunch: \$12 Members / \$17 Non-members

If you are attending both the lunch and the workshop, payment can be combined.

IIA Lunch Meeting/Workshop Registration Form – Due by March 28, 2011

Employer Name: _____

Attendee Name	IIA Member (Y/N)	Lunch Only M -\$12 Non-M - \$17	Workshop Only M -\$70 Non-M - \$85	Lunch and Workshop M -\$82 Non-M - \$102	Telephone
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

Please send payment with registration or mail payment so that it is received by 03/28/11 to the Topeka IIA Treasurer at:

Capitol Federal Savings
 Attn: Crystal Perez
 700 S. Kansas Ave.
 Topeka, KS 66603

Please make checks payable to the IIA

Electronic registration can be sent to: cperez@capfed.com

Questions: Please contact Shannon Wagner at 785.438.3281

If you are attending both the lunch and the workshop, payment can be combined.