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Congratulations:

Congratulations to Angela York of KCPL and Charlene Howard of Seaboard. They were randomly selected as door prize winners at the April 2012 KC IIA meeting. They each received a \$25 gift card. Also, congratulations to Dennis Pickard of DST. He was randomly selected as the winner for completing the KC IIA April meeting survey. As the winner, he received one free registration to an upcoming KC IIA meeting. Thank you to Dennis and all of you who completed the survey to provide your valuable feedback.

Congratulations to Darrell Stevenson of CenturyLink for passing the CIA exam. Darrell has also served admirably on our programs committee for the past 2 years.

Congratulations to Dan Morris at the Department of Veterans Affairs on passing the Certified Government Auditing Professional (CGAP) exam.

Hats off to Rick Wright of Collective Brands for being asked to serve on the International IIA's Academic Relations Committee. This is both an honor for Rick and the Kansas City Chapter as we now have two members serving on IIA International committees.

Thank You:

A big thank you to Angela Morelock, of BKD for her outstanding presentation on fraud and ethics at our April meeting!

Thank you to all volunteers for the student event! Your time and presence is a wonderful influence to those who are up and coming in our profession.

Annual Survey:

Each year we survey the membership to obtain feedback on the overall chapter operations. Please take a moment to complete the survey and provide comments on your experiences and suggestions for the upcoming chapter year! Also, don't forget to answer the question at the end for a chance to win a great gift card!

April 2012 Notes

Open Committee Positions:

Although Chapter elections were held in March, we still need volunteers to serve on the following committees:

Programs Committee – Brainstorm and develop the topics and speakers for the upcoming chapter year. The time commitment involved would be roughly 4 to 5 meetings over the months of May and June. Between meetings, you would have some research or communication with potential speakers.

Membership Committee – Develop various methods for identifying new or potential members, as well as recognizing existing members for obtaining a certification. The committee also develops, distributes and compiles the monthly and annual surveys to obtain feedback from the other members. The time commitment depends on the various tasks that are completed. Certain tasks, such as the annual membership appreciation lunch, occur once a year.

Social Committee - Assist the VP of Membership with the planning and conducting of social events and ice breakers at the monthly meetings.

Student Committee – Reach out to a local university and become a representative from the KC IIA Chapter. Speak at a class or student function. Promote and volunteer at the annual student event. The time commitment would be roughly a few hours each semester.

Registration table – Extra help checking in members at our monthly meetings is always needed at the registration table. You can volunteer for just one month if you would like.

Job Postings

Be sure to check out the current job postings on our web site at http://www.theiia.org/chapters/index.cfm/view.news_detail/cid/48/newsid/2869

CPE

Remember, recording and reporting your CPE hours is based largely on the honor system. So, to receive full credit, be sure and stay for the entire CPE presentation. Thank you!

Save the Date!!

2011 – 2012 Schedule of Programs



Institute of Internal Auditors - Kansas City Chapter 2011-2012 Schedule of Programs

Month	Date	Topic	Speaker/ # CPE's	Location	Price
September	9/1/2011 <i>Breakfast at 7:30am</i> 8:00am to 11:00am	Managing Risk in the Extended Enterprise	Craig Carter <i>Partner, KPMG</i> 3 CPE Hours	Ritz Charles-Overland Park	\$60 Member \$75 Non-Member
	11:00am to 12:00pm	Case Study: The Importance of Whistleblower Hotlines and Ethics Programs in Preventing Fraud	Lynn Fountain <i>AVP Internal Audit, Black & Veatch</i> 1 CPE Hour (Qualifies for MO CPA Ethics Req.)		
October	10/6/2011 9:00am to 4:00pm <i>Lunch at 12:00pm</i>	Communication and Interpersonal Issues for Auditors	John Hall <i>Hall Consulting</i> 6 CPE Hours	Ritz Charles-Overland Park	\$90 Member \$105 Non-Member
November	11/3/2011 9:00am to 2:00pm <i>Lunch at 11:30am</i>	"Taking the Harder Right" - How Good, Honest, Moral, Ethical People Can Get into Trouble in Ways They Never Imagined	Oliver Halle, Diann Cattani, and Josh Kenyon <i>Corporate Scared Straight</i> 4 CPE Hours (Qualifies for MO CPA Ethics Req.)	Clubhouse on Baltimore - Downtown KC	\$80 Member \$95 Non-Member
December	12/1/2011 9:00am to 4:00pm <i>Lunch at 12:00pm</i>	Harnessing the Power of Continuous Auditing	Robert Mainardi <i>Mainardi & Associates</i> 6 CPE Hours	Clubhouse on Baltimore - Downtown KC	\$90 Member \$105 Non-Member
February	2/2/2012 9:00am to 4:00pm <i>Lunch at 12:00pm</i>	Auditing Social Media	Mike Jacka, Pete Scott <i>Consultants</i> 6 CPE Hours	Ritz Charles-Overland Park	\$90 Member \$105 Non-Member
March	3/1/12 <i>Breakfast at 7:30am</i> 8:00am to 12:00pm	Internal Audit: Maximizing our Opportunities	Larry Harrington <i>VP Internal Audit, Raytheon; Chairman of the IIA North American Board</i> 4 CPE Hours	Ritz Charles-Overland Park	\$80 Member \$95 Non-Member
		The Importance of Brand			
April	4/5/12 9:00am to 2:00pm <i>Lunch at 11:30am</i>	Fraud: Lessons from the Trenches	Angela Morelock <i>Partner, BKD</i> 4 CPE Hours (Qualifies for MO CPA Ethics Req.)	Clubhouse on Baltimore - Downtown KC	\$80 Member \$95 Non-Member
May	5/3/12 <i>Breakfast at 8:00am</i> 8:30am to 11:30am	Auditing Strategic Risks - Turning Risk into Opportunity	Tony Popanz <i>Manager, Experis</i>	Ritz Charles-Overland Park	\$60 Member \$75 Non-Member
		Successfully Auditing Business Recovery Programs	Jeff Blackmon <i>Strategic Continuity Solutions</i> 3 CPE Hours		
June	6/7/12 <i>Lunch at 12:00pm</i> 1:00pm to 3:00pm	Top 10 Characteristics of World Class Audit Departments	Robert Mainardi <i>Mainardi & Associates</i> 2 CPE Hours	Ritz Charles-Overland Park	\$40 Member \$55 Non-Member
August	8/2/12 <i>Lunch at 12:00pm</i> 1:00pm to 3:00pm	Project Management Fundamentals	Vicki Wagoner <i>Director, PwC</i> 2 CPE Hours	Clubhouse on Baltimore - Downtown KC	\$40 Member \$55 Non-Member

CIA Review System Article

Melissa Leonard, is the Gleim CIA Review System Coordinator for the KC IIA Chapter.

Pursuit of a Second Certification

In the past, I have discussed the value of becoming CIA-certified, but recently I have received a number of inquiries about becoming a CIA when already holding another certification. If you have your CPA, CISA, or other accounting-related certification and are considering the CIA exam, your new certification would augment your skills with a focus on all aspects of the internal audit profession.

Holding both the CIA and CPA designations will generate many professional opportunities. The CPA credential gives you recognition, respect, and prestige in both public practice and private industry, and one of the many benefits of the CIA exam is that it is an international designation recognized by accountants and companies throughout the world. In today's global economy, this international perspective is essential in setting yourself apart in the job market.

While the CPA Exam tests many different topic areas, in actual daily life CPAs will spend most of their time either doing taxes or working on external financial statements. A CIA, on the other hand, adds value to the organization in multiple ways because internal audit performs both assurance and consulting functions. Internal audit can be management's "eyes and ears" throughout the organization, not just in the accounting and finance function.

Additionally, already having one certification will likely make it easier to achieve a second. I have received feedback that the experience gained by preparing for the CIA exam helped candidates when it came time to prepare for the CPA exam (and vice versa) because they knew what to expect from the overall exam experience and had perfected their question-answering and time-management techniques.

I would like to hear from you. Do you have multiple certifications? If so, how has this benefited you? Do you have advice to offer potential candidates looking to obtain multiple designations? Email Melissa Leonard, your Chapter Coordinator at iiachapters@gleim.com with your questions and feedback.

Remember, as a Kansas City Chapter member, you will receive a discount on Gleim material. Gleim has been helping CIA candidates pass the CIA exam since 1980.

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

Featured Article

Six Common Mistakes That Will Derail an Internal Audit

Richard Chambers, CIA, CGAP, CCSA, CRMA, shares his personal reflections and insights on the internal audit profession.

Over time, internal auditors tend to hear about a lot of things that went wrong. Unfortunately, it's not just our clients who make mistakes — I have witnessed more than a few spectacular internal audit failures, and in too many cases the internal audits went wrong for reasons that easily could have been prevented during engagement planning. Some of the biggest blunders often seem to stem from the same few mistakes. In the hope that we can learn from each other's mistakes, I have listed below my take on the most common of these missteps.

- 1. Not setting aside enough time to adequately plan the audit.** It's all too easy to postpone audit planning when you're still focused on the previous audit. That's probably why this might be the most common audit mistake of all. What can go wrong if you delay planning until the last minute? I have heard tales of the location scheduled for the audit having been shut down two months earlier, auditors having to stay at a hotel two hours away because no vacancies were available locally, a new technology having been implemented that the team was unqualified to review — the list goes on and on, but you get the idea. If you want to sabotage your internal audit, simply do nothing until just before fieldwork is scheduled to begin. That way, when something goes wrong, you won't have the "safety net" of a few extra days in which to salvage the situation.
- 2. Trying to audit too much (and scope creep).** Setting the scope is one of the rare areas where the most diligent auditors tend to run into the most problems. When the initial scope is too ambitious or too open-ended, the risks go way up that the job will take too long or that the auditors will miss important issues that were included in the scope. It's difficult enough to stay on schedule and avoid "scope creep" later in an audit when the scope is well-defined to begin with. When the scope is open-ended, it can lead to crushing work schedules or to unrealistic stakeholder expectations. Either way, failing to limit the scope appropriately might mean that your audit will be viewed as less than successful.
- 3. Not involving the client.** Failure to involve your client early and often can be a real "audit killer." Just imagine holding a closing meeting a thousand miles from home during which management says, "You spent three weeks testing that? But nobody even uses that report any more, and that isn't a risk these days because. ..."
- 4. Failing to augment the audit team with "functional expertise."** Especially if you are a very experienced and confident auditor, you may tend to overestimate your ability to "go it alone" without expert help; so this is an area that occasionally trips up the best auditors in the business. Involving a subject matter expert early in the audit planning process can help ensure you haven't overlooked something vital.

Featured Article (cont)

5. **Forgetting the audit should ultimately add value.** We all know that internal auditing is not just about pointing out what's wrong — it's about helping management accomplish its objectives and, at times, helping management identify and take advantage of opportunities that otherwise might have been missed. We need to design audit activities with the potential to add true value — not to design activities primarily aimed at catching small mistakes. It can help to “risk assess” your audit tests: What's the best/worst that could happen if we perform this particular test? If the test can't lead to major findings or recommendations, maybe you are planning to test the wrong things.
6. **Forgetting to follow the risks.** If your “planning” is normally to perform the same audits the same way each year, regardless of risks or changing circumstances, then the odds are good that your results won't be the same as they were last year; they will be worse. You may fail to identify new risks and opportunities — and at best, you will be less likely to add value than in the past. After all, you already gave management recommendations based on last year's tests, and the chances of a truly important new insight or recommendation are lower the second (or fourth) time around. One management official who was later convicted of fraud said, “Internal audit wasn't a problem. I always knew they wouldn't come back for a year, and I knew exactly what they would look at when they returned.”

These are just a few of the mistakes that seem to keep undermining promising internal audits. Your list might be different. What are some of the biggest mistakes you have seen that derailed an internal audit?

Posted on Apr 16, 2012 by Richard Chambers

2011 – 2012 Chapter Leadership

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If you have any questions or would like to submit an article for the newsletter, please email Rob Carter, VP Services, at rob.carter@layne.com.