

The Audit Standard



The Institute of Internal Auditors, Inc.

Dallas Chapter

February, 2000

THE PRESIDENT'S MESSAGE

Happy Valentine's Day and beyond! February is the month we think of love and hearts. I want to encourage you to think of your own heart and health by attending the Health Fair at North Park Mall the week-end of February 19-20 or schedule your annual check-up. Be good to yourself – for yourself and those you love.

On February 24th we welcome the return of Sergeant Ken Haben of the Dallas Police Department. He will present the luncheon topic "Open Records Law and How It Can Affect Internal Audit." Ken is the president of the Certified Fraud Examiners in Dallas and will have much practical information to share.



The pre-meeting seminar "Business Risk Management: Closing the Gap" will be brought by Phillip Smith. Phil leads the Business Process Risk Consulting practice of Arthur Andersen in the Southwest. He has spent 24 years with Arthur Andersen and currently focuses on Business Process Risk Consulting. Phil will introduce tactics for identifying and measuring risk as well as improving controls.

Our own member, the ever-popular Courtenay Thompson will be leading the all day seminar on "Fraud 2000." I've known Courtenay for all my 21 years in this chapter, and know that he always brings a wealth of experience on this topic. Don't miss this!

We will be hosting the 2nd Annual Student Forum sponsored by the Academic Relations Committee as the post meeting seminar. This is a practical forum where practitioners and area students with an interest in Internal Auditing can dialogue. Remember that the elections for officers and members of the Board of Governors for the year beginning June 2000 will be held at this February 24th meeting so your attendance is very important.

Corinne Bryan
President

February Meeting

"Open Records Law and How It Can Affect Internal Audit"

Sgt. Ken Haben, Dallas Police Department

Date:

February 24, 2000

Location:

CityPlace Conference Center
Southeast Corner of Central
Expressway & Haskell Avenue

Time:

10:30 Pre Meeting
"Business Risk Management: Closing the Gap"
Speaker: Phillip Smith, Arthur Andersen
11:30 Lunch Registration
12:00 Lunch Presentation
"Open Records Law and How It Can Affect Internal Audit"
Speaker: Sgt. Ken Haben, Dallas Police Department
1:30 Post Meeting
"Student Forum"

Reservations

Preferred Method

The best method to make your reservations is via the website at www.dallasiaa.org.

Secondary Method

An optional method is to use the telephone, fax, or email. However, a \$2 phone/fax/email fee will be assessed to each reservation.

Contacts

Sharon Beard

e-mail: sbear2@jcpenny.com

Lori Cannafax

e-mail: lcann3@jcpenny.com

Phone Reservations: 972.431.DIIA or 972.431.3442

Fax Reservations: 972.431.7195

Luncheon Fees:

Members: \$ 23

Non-Members: \$ 30

Students: FREE

Phone/Fax Fee/Email: \$ 2 additional

Reservations must be received by noon on Friday, February 18 or a \$7 late fee will be charged.

We reserve the right to bill for "no-shows"

1999-2000 Officers

Lunch Program

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Kenneth S. Haben is a Sergeant for the Dallas Police Department assigned to Legal/Detention Services. Sgt. Haben has a B.A. in Political Science and Public Administration from Slippery Rock State College in Pennsylvania. He graduated from the Southwest Legal School of Police Supervision and has attended the Law Enforcement Management Institute of Texas as well as the Financial Fraud Institute-Federal Law Enforcement Training Center. He has been employed with the Dallas Police Department for 30 years, working 15 as a supervisor. He previously worked 5 years with the Internal Audit Department.

Sgt. Haben is a Certified Fraud Examiner and current President of the DFW Chapter of the Association of Certified Fraud Examiners.

The presentation on Public Information will include:

- availability and how to obtain it.
- legislative changes.
- public information as an investigative tool.
- what's not available.
- using the Dallas PD Web Site.
- costs to obtain information.

**IIA Research Foundation
Update on Research Projects**

The following Research Foundation projects have expected completion dates during the first quarter of 2000. Dave Hallo will let us know when they have been published and are available for purchase.

- Assurance Services: Implications for the Internal Auditing Profession
- A Balanced Scorecard for Internal Auditing
- Enterprise Data Warehousing/Data Mining
- Reengineering the Internal Audit Process

The Audit Standard communicates upcoming events, meeting dates, and IIA information to the Dallas Chapter members. We are open to any ideas or information you want to share. If you want to have your information input into the newsletter, please contact Rhonda McClinton at 214.999.2561 or email her at rhonda.mcclinton@us.pwcglobal.com.

Meeting Dates

March 16
April 27
May 25

Newsletter Submission Deadline

February 18
March 24
April 28

CIA Review Course

The CIA exam is scheduled for May 17-18, 2000. The Dallas Chapter will once again sponsor an interactive CIA review course to help prepare candidates. This four day course will be taught by Dr. Glenn Sumners, Director of the Center for Internal Auditing at LSU, and Roger McDaniel, President of Audit Services based in Franklin, Tennessee. Comprehensive printed study materials will be provided for the course.

The course will be taught March 10th-13th, 2000 (*Friday-Monday: 8 a.m. to 5 p.m.*) according to the following schedule:

March 10th: Part I - Internal Audit Process

March 11th: Part II - Internal Audit Skills

March 12th: Part III - Management Control & Information Tech.

March 13th: Part IV - The Audit Environment

Dr. Sumners will teach parts I & II, and Roger McDaniel will teach parts III & IV. Eight hours of continuing professional education (CPE) will be given for each full day session. The course will be taught in the bottom floor (Rm. 1) of the JC Penney low rise building near Coit Rd. and I-635. See directions and map below.

Cost for the courses are \$50 for each part if you are a member of the Dallas IIA, \$75 for each part for non-members. To register, go to the Chapter Web page at www.dallasiaa.org, click on the *CIA Review Course* icon and complete the registration form.

Note: The registration fee must be received by David Jarnagin at the address below in order to reserve your place at the course. If you need additional information, please contact David.

David Jarnagin
Alcatel USA
1000 Coit Road
Plano, TX 75075
M/S IGAS 1
david.jarnagin@usa.alcatel.com
972.477.8789

Directions to the JC Penney Lowrise Bldg.

Traveling East on 635/LBJ Freeway: Take Coit Road exit and go about 1/2 block past Sheraton Hotel (large blue sign). Turn right at street at the large white flagpoles (name of street is Merit Drive, but it is not marked at this corner). Go about 2 blocks to Banner Drive (Benihana Steakhouse on your right). Turn right on Banner Drive and proceed west. **See Once on Banner Drive Below.**

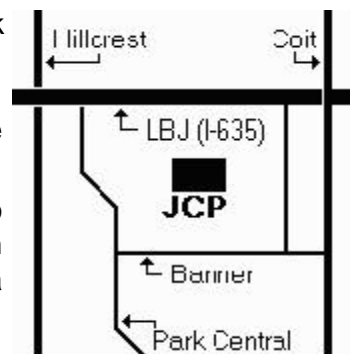
Traveling West on 635/LBJ Freeway: take Coit Road exit. Turn left on Coit and go to Banner Drive, which is the 1st light after you clear the 635/LBJ intersection. Turn right on Banner Drive and proceed west. Proceed west after stop sign (Benihana Steakhouse on your right). **See Once on Banner Drive Below.**

Traveling North on 75/Central Expressway: take Coit Road exit and proceed north on Coit Road through several lights. Turn left on Banner Drive (Banner Drive is one light after Churchill) and proceed west. Proceed west after stop sign (Benihana Steakhouse on your right). **See Once on Banner Drive Below.**

Traveling South on 75/Central Expressway: exit at Coit (one exit after Midpark) and stay on service road as it curves to the right (one stop sign before the curve). Turn left on Coit and go to Banner Drive, which is the 1st light after you clear the 635/LBJ intersection. Turn right on Banner Drive and proceed west. Proceed west after stop sign (Benihana Steakhouse on your right). **See Once on Banner Drive Below.**

Once on Banner Drive: Proceed west through the "S" curve. Very soon after the "S" curve will be the parking lot entrance on your right. Park in this lot. If you get to Park Central Drive, you've gone too far! The JC Penney lowrise is the unmarked building, West of the taller building (Park Central III). The receptionist/security guard at the desk just inside the entrance will direct you down one floor to meeting room #1.

If you become lost, you may call the security guard inside the low-rise building for directions at (972) 591-7855. They are on duty around the clock.



**Internal Auditor II
University of North Texas, Denton, TX**

Qualifications include:

- Bachelor's degree in accounting, business or related subject
- two years accounting or auditing experience (internal auditing highly preferred)
- CPA/CIA preferred
- or any equivalent combination of experience, education or training.
- ability to handle extensive public contact
- good oral and written communication skills
- computer skills
- organizational skills highly preferred

Salary is \$2,927 per month.

The University of North Texas is an Equal Opportunity, Affirmative Action Employer. All qualified applicants will receive consideration for employment without regard to sex, race, creed, color, age, national origin, religion or physical or mental disability.

University of North Texas Human Resources
PO Box 311010
Denton TX 76203-1010

February Student Forum

The Academic Relations Committee of the Dallas Chapter will be presenting the 2nd Annual Student Forum. The Student Forum is a way to bring university students to our monthly luncheon meetings and increase their interest in the internal audit profession. The Forum is an hour-long question and answer session after the luncheon. Students and other participants will be able to ask questions about internal auditing to a group of panelists from the audit profession. The panelists include:

- Ken McKee - Federal Reserve Bank
- Dennis Drent - Ernst & Young
- Dace Ward - EDS
- Jeff Seutter - The Associates
- Ashley Jaye - EDS

All university students receive a FREE lunch. Contact Lynn Allsup at allsup@compuserve.com or 214.559.1630 by noon Friday, February 18 for registration or more information.

**Business Risk Management:
Closing the Gap
February Pre-Meeting**

Phillip Smith leads the Business Process Risk Consulting practice in the Dallas area and the Southwest Market Region of Arthur Andersen. Mr. Smith has spent 24 years with Arthur Andersen and currently focuses on Business Process Risk Consulting. He has served on the Hankamer School of Business Advisory Council at Baylor University. Mr. Smith also has taught accounting at both Baylor and Southern Methodist University.

Mr. Smith will speak on mergers, acquisitions, and dealing with tougher competition. There is a need to renew focus on core competencies. and globalization. This is a time of tremendous change in business – and change brings increased risks. Do you know what your risks are? In this training session, you'll learn tactics to help you begin to identify, source and measure your risks as well as make strategic decisions to improve controls.

“Fraud 2000”

Presented by Courtenay Thompson of Courtenay Thompson & Associates

Description: As we enter the 21st century, fraud is alive and well. Auditors and managers are being challenged as never before to provide the leadership, techniques and technology to keep fraud to a minimum. This course explores the current fraud-related challenges facing auditors and their organizations and provides practical proven solutions to real problems. The program will be highly participative. Attendees will have the opportunity to share their questions and greatest fraud-related concerns, and share their own proven techniques and ideas. Course contents will include:

- Fraud – What all auditors must know
- Get executive commitment
- Fraud implications of the changing business environment
- Lessons from recent major cases
- What is new Fraud!
- Fraud-related best practices
- Mistakes to be avoided
- Practical approaches to fraud-related controls
- More effective detection

Bring your current concerns and questions

Instructor: Mr. Thompson is a recognized authority on training managers, auditors and investigators in fraud-related matters. Since 1981, he has designed and presented courses on fraud prevention, detection and investigation for business and government organizations worldwide. His courses are known for providing practical, proven approaches to real problems. These practical approaches have yielded dramatic results for class attendees. Mr. Thompson is the author of the video, “*A New Look at Ethics & Fraud.*” He has developed the programs for many of the Institute of Internal Auditors’ Fraud Conferences and is currently editor of “*Fraud Findings*” in *The Internal Auditor Magazine*.

In addition to personally detecting and investigating suspected fraud cases, he established corporate policies for fraud and trained other auditors in fraud detection and investigation. Responsibilities included working with top management and reporting to the audit committee on the status of open cases. He has worked closely with legal counsel, law enforcement and prosecutors.

Date/Time: February 24, 2000 from 8:30 am to 5:30 pm, registration begins at 8:00 am
Deadline for enrolling in the seminar is February 18, 2000.

Location: CityPlace Conference Center, 2711 Haskell (southeast corner of Central Expressway and Haskell)

Fees/CPE: \$150 for IIA Members and \$200 for Non-Members. (The price includes continental breakfast, the IIA luncheon, and morning and afternoon snacks.) You will receive 8 hours of CPE.

Contact: Pamela Soliz
pamela.soliz@us.pwcglobal.com
Telephone: 214.754.5084
Fax: 214.754.5399

Registration Form for “Fraud 2000”

Name: _____

Company: _____

Address: _____

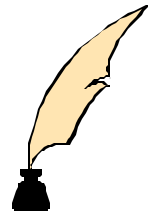
Telephone #: _____

IIA Member: Yes _____ IIA Member # _____ No _____

Please make your check payable to IIA Dallas Chapter. Remit your payment and registration form to the attention of Pamela Soliz, PricewaterhouseCoopers LLP, 2001 Ross Avenue Suite 1800, Dallas TX 75201-2997.

Reminder: The member information contained in the Directory for the Dallas Chapter of the IIA (including the e-mail listing) is not to be used for purposes of solicitation. To serve those that may have job openings, there is an Employment Committee chaired by Greg Dubis that makes resumes available and an Advertising Committee chaired by Barry Tillman for placement of ads in the newsletter and on the web site. For other questions contact Terry Eaton, Secretary.

Dates To Remember:



- Feb. 18: Reservation Deadline
- Feb. 18: March Newsletter Deadline
- Feb. 24: IIA Meeting/Fraud Seminar

Special Note:

Do you want your Newsletter sent to a different address? Have you changed your name or obtained a new certification? Please call 407.830.7600, extension 1, or send it via the web site, www.theiia.org/membership to update your records.



The Institute of Internal Auditors

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