



# NEW YORK REPORTS

PLATINUM AWARD CHAPTER

NOVEMBER 2006



Dear Colleagues:

While it is hard to believe, November is upon us and the year is almost over!!! As we get ready for the winter and the Holiday season, I want to thank the Board members for their guidance, and my fellow officers

and all of the volunteers who have made the programs to date a huge success. I especially want to congratulate Joel Ipe, our web administrator, who was the recipient of a Special Recognition award for his volunteer efforts. He has been a great volunteer for the NY Chapter and its members. Joel's dedication to maintaining the website and keeping our members informed about Chapter activities has been a great asset for the Chapter. Joel, I can't thank you enough!!!

Over the last month, we have had some great programs. On October 24<sup>th</sup>, the NY Chapter provided its members with a free two-hour Business & Industry CPE training session on the "Top 10 IT Security Audit Challenges, Insights, Experiences & Practical Solutions." This session was led by Sarah Adams, the National IT Internal Audit Director, and Larry Samano, an Enterprise Risk Services Senior Manager, from Deloitte & Touche. Much thanks to Deloitte & Touche for sponsoring this event. On October 26<sup>th</sup>, Mark Arning hosted the Audit Directors Roundtable. Professor Glen Gray, a California State University Professor, facilitated a focus group on the impact of SOX. Sixteen executives attended the event.

CIA Review classes were held at New York Life on Monday, October 30<sup>th</sup> through Thursday, November 2nd. Thanks to the CIA Committee for not only coordinating the classes, but also hosting the exam. Best wishes to all of the future CIAs taking the exam!!!

On November 10<sup>th</sup>, the Chapter's workshop program focused on communication and negotiation skills, both of which are essential to our profession. Thanks to Steve Adubato and Tom Pison for leading the event; the attendance was great and well received by our members.

I also want to congratulate our new CIA, CCSA, CGAP and CFSAs, who recently became certified. The Chapter had a total of 30 members who received certificates in November. Congratulations!!!

Now on to upcoming events:

- On **November 28<sup>th</sup>**, Mark Arning will be hosting the next Audit Directors Roundtable at New York Life.
- Our next workshop and luncheon program is scheduled for **December 8<sup>th</sup>**. Rich Lanza will be facilitating a session on 'Automating Your Audit Department for Improved Efficiency and Effectiveness'. During the luncheon program, Steve Goepfert, the IIA Chairman, will update the Chapter on IIA activities and the "Tell the World Theme". The deadline for registering for this event is Tuesday, December 5<sup>th</sup>.
- On **December 11<sup>th</sup>**, the NY Chapter will conduct a 7 credit CPE event - 'Managing the Audit Function Leadership Symposium'. This symposium will be facilitated by Michael Cangemi, a past president of the NY Chapter, and the author of the book "Managing the Audit Function". The course will be geared to Audit Managers and limited to 30 attendees (first come basis). All attendees will receive a copy of the book. Details regarding this event can be found on page 6 of this newsletter. Register early to avoid being shut-out of this event.
- On **December 14<sup>th</sup>**, the NY Chapter will conduct a free 2 credit CPE event "Stock Compensation: Perspective on Historical and Current Financial Controls." This event will be hosted by Protivi.

Details regarding all of these events can be found on nyiaa.org. Hope to see you at one or more of our upcoming events.

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## Editor's Corner



It is Thanksgiving time and the holiday shopping season is upon us! I can already smell the turkey, stuffing and pumpkin pie as I anticipate the

hustle and bustle of department store sales and lines of children waiting to see Santa.

As the holiday season approaches do you wish for more flexibility to take care of personal errands or more time off to visit with family and friends? Have you ever considered going into business for yourself, but been afraid of taking on the risk? Well, I am one of those individuals who have opted for project work on a full time basis with Resources Global Professionals and I have never been happier. In this issue, there is a great article on the benefits of doing project work in retirement that was published by Robert Half. Be sure to check out the upcoming events on both the IIA ([www.theIIA.org](http://www.theIIA.org)) and the New York Chapter IIA website ([www.hyiaa.org](http://www.hyiaa.org)) Have a happy holiday season!

*Camille Herzog, Editor*

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## **SPECIAL VOLUNTEER RECOGNITION AWARD**

Congratulations to Joel Ipe, the NY Chapter's Web Administrator, for receiving the Special Volunteer Recognition Award. Joel has been a great volunteer, who has done a wonderful job in responding to numerous requests to update the website regarding Chapter activities. Joel has been diligent and so supportive of the Chapter. We can not thank you enough for taking your personal time to help out the Chapter and its members.

The website is critical to notifying our members about upcoming events and programs. Thanks to you our events have been a success and well attended.



*Joel Ipe and Richard Dapcic, President*

## Transitioning Into Retirement: The Value of Project Work

For many people, the word “retirement” brings visions of golf, gardening and world travel. But what if you’re not ready to stop working? What if you still enjoy your job, crave the stimulation work provides or simply want additional income? Well, you’re in good company.

Many mature professionals are happily forgoing a life of leisure. In fact, an AARP survey found that 79 percent of baby boomers plan to work in some capacity during their so-called retirement years. For a growing number of seasoned audit professionals, easing into retirement through temporary or project work instead of quitting cold turkey is the answer.

As a veteran of the industry, you no doubt possess deep industry knowledge and experience. Many organizations, especially those launching critical initiatives or merging with other firms, are likely to pay a premium for your expertise. If you’re interested in pursuing this career path, consider taking these steps:

**Conduct a self-inventory.** Before diving into contract work, carefully consider your professional objectives and personal preferences. Do you have the desire to do the same type of audit work you’ve done most of your career or do you want to explore a new area? Do you want to work on-site two days a week or are you interested in telecommuting full-time? Do you enjoy working for companies in a particular industry or does the size of an organization matter most? Identify your preferences and priorities.

**Select the right service.** A staffing firm that specializes in placing high-level audit professionals will best understand your background and requirements. Start by soliciting recommendations from colleagues, industry associations and your local chamber of commerce. Contact several firms to inquire about the clientele they serve and the positions available. Also, ask about benefits programs. Depending on the organization, you may gain access to health, life and disability insurance.

**Clearly express yourself.** Be candid about your job expectations with your staffing manager. Sharing your priorities – such as working a flexible schedule, learning new skills or the chance to collaborate on teams – will help your staffing manager place you in the most suitable and rewarding environments.

In today’s world, retirement doesn’t have to mean an end to your career. By pragmatically investigating project work, you can enter a new era that’s fulfilling personally, professionally and financially.

*This article is provided courtesy of Robert Half Management Resources, North America’s largest consulting services firm providing senior-level accounting and finance professionals on a project basis. For further information, visit Robert Half Management Resources’ website at [www.roberthalfmr.com](http://www.roberthalfmr.com) or call 1-888-400-7474.*



# The Institute of Internal Auditors New York Chapter

## The Institute of Internal Auditors- New York Chapter

invites you to attend:

“Managing the Audit Function Leadership Symposium”

Presented by:

Michael P. Cangemi CPA, CISA President, Cangemi Company LLC

**December 11, 2006**

Time: 8:30 – 4:30

**Place:** *Deloitte & Touche, 2 World Financial Center, 3<sup>rd</sup> Floor, Meeting Rooms A & B*

**Directions:** Take Subway E Train to World Trade Center Stop or the N or R Train to Rector

**Cost:** \$ 235.00 Payable to the NY Chapter of the Institute of Internal Auditors

**CPE Credits:** 7 upon completion of the symposium

Send your registration form along with your payment to Rich Dapcic, 20 Broad Street, 8<sup>th</sup> Floor, New York, NY 10005. Registration forms can also be e-mailed to Rich at [RDapcic@nyse.com](mailto:RDapcic@nyse.com). If you have any questions you can contact Rich at 212-656-2131. The registration deadline is November 24th. **Space is limited to the first 30 registrants.** A registration form template and complete course outline follows:

### IIA NY Chapter Special Event Registration Form

**December 11, 2006**

Registrant Name	
Company	
Phone #	
Business Address	
Email Address	
Chapter Affiliation	
IIA Member	Yes                      No                      (circle one)

***Please make your check payable to the NY Chapter of the Institute of Internal Auditors.***

# Managing the Audit Function Leadership Symposium

**Where: New York, NY**

**When: December 11<sup>th</sup> 2006**

The Managing the Audit Function Leadership Symposium is taught in a small class setting and is designed to help enhance your audit function and your career. My goal is to empower advancing managers and audit directors by giving them some new ideas and helping them address specific management issues they are facing now. In addition you will participate in discussions of crucial audit management and emerging issues with minimum time out of the office. Lecture sections are based on the experiences of the faculty and his successful book, "Managing the Audit Function", now in its third edition and recently published in Chinese! These lectures are supplemented by facilitation of round table discussions to create a shared learning experience. Each participant will receive an autographed copy of **Managing the Audit Function**.

## Faculty

The facilitator, Michael P. Cangemi, has been a Chief Audit Executive and a partner in charge of Audit and IT practices at two accounting firms. In addition, as his career progressed he has been in key senior management positions including CIO, CFO, CEO, a Board member, an audit committee chair. This unique real life experience will give you another point of view on issues you face in the day to day management of your function! In addition Michael is an award winning author who has penned books and has been the Editor-in-Chief of IS CONTROL Journal since 1987. Writing his popular column, "Issues & Comments" keeps him at the forefront of emerging issues in the assurance and governance community.

As the lecturer and facilitator, Michael keeps the conversations lively; you will learn as much from your peers as you do during lecture and the small class size with a target of 25-30 ensures everyone has the opportunity to be heard. The interested manager will learn vital, up-to-date knowledge and skills required to supervise, manage and succeed.

## Program Features

**Small group size** to improve the learning experience and encourage active participation

**Program designed to** address timely topics, emerging issues and your issues.

**Networking** -ample opportunities to expand your "network" and exchange ideas with peers.

**CPE Credits** - earn 7 CPEs for completion of the symposium.

**Receive a personal copy of Managing the Audit Function** - The course covers the most critical sections of the popular book, Managing the Audit Function, now in a third edition. A copy of the book will be provided to each participant.

**Business and Industry Committee Event**  
**Institute of Internal Auditors - New York Chapter Presents:**  
 “Stock Compensation: A Perspective on Historical and Current Financial Controls”  
 Presented by Christopher P. Wright, Managing Director, Protiviti

The headlines continue as stock options attract the Securities and Exchange Commission’s (SEC’s) spotlight. The increased scrutiny arises not only as a result of the adoption of new accounting and disclosure rules, but also due to concerns over past practices failing to comply with the old rules.

Chris Wright, Managing Director in Protiviti’s Financial Reporting Risk Services group, will discuss the rules both past and present, while highlighting the issues associated with each. He will discuss the historical and current practices and their Sarbanes-Oxley implications. His presentation will also explore setting up a control framework and ongoing monitoring to ensure continued compliance.

**Date:** December 14, 2006

**Time:** 9:00am – 11:00a.m. (a continental breakfast will be served at 8:30am)

**Place:** Protiviti Conference Center – 1290 Avenue of the Americas, 5th Floor

**Fee:** None

**CPE: 2 Credits**

Registration forms are required in advance of the event in order to facilitate planning and access to the facilities. Please email your registration form as soon as possible – seats are limited to 70 participants.

Please email forms to Linda Cancel at the address below:

Email: [linda.cancel@protiviti.com](mailto:linda.cancel@protiviti.com)

Phone: 212-603-8347

Mail: Protiviti Inc.

1290 Avenue of the Americas, New York, NY 10104

Attn: Linda Cancel

**IIA NY Chapter**  
**Business & Industry Event Registration Form**  
**December 14, 2006**

**Stock Compensation: A Perspective on Historical and Current Financial Controls**

Registrant Name			
Company			
Phone #			
Business Address			
Email Address			
Chapter Affiliation			
IIA Member	Yes	No	(circle one)

***Please make your check payable to the NY Chapter of the Institute of Internal Auditors.***



## CARRYING ON A LEGACY – THE COMMON BODY OF KNOWLEDGE 2006

The Institute of Internal Auditors Research Foundation (IIARF) is committed to understanding how the practice of internal auditing is carried out around the world and using this knowledge to provide guidance to our more than 115,000 members. Today, this effort is taking a monumental step forward.

The IIARF is performing an ongoing research program, entitled the Common Body of Knowledge (CBOK), which will broaden our understanding of how internal auditing is practiced around the world. This comprehensive study will be updated every three years and will become a permanent program of The IIA Research Foundation.

What is the Common Body of Knowledge (CBOK)?

- The most important research study the IIARF has ever undertaken
- The first project funded by the William Bishop III, CIA Memorial Fund
  - We envision this project to be a living legacy of Bill's passion for internal auditing
  - Bill was a tremendous supporter of internal audit research and CBOK will provide a fitting tribute to Bill's contributions to the profession of internal auditing
- A skill and organizational levels that practice internal comprehensive survey that will capture the state of the internal auditing profession throughout the world including:
  - The knowledge and skills that internal auditors possess
  - The varying auditing work

## CBOK Introductory Text

- The actual duties performed by internal auditors
  - The structure of internal audit organizations
  - The types of industries which practice internal audit
  - The regulatory environment of various countries
- CBOK will provide an understanding of the unique value-added role internal auditing has in organizations throughout the world
    - This understanding will enable us to better define the future of internal auditing and ensure that it remains a vibrant and relevant contribution to organizations
  - The results of CBOK will drive many crucial aspects of The IIA for the next 3 years, including:
    - Certifications and exams
    - Standards
    - Advocacy
    - Practice Advisories
    - Educational Programs
    - Educational Products
    - Publications

## HOW CAN YOU PARTICIPATE?

- Visit the CBOK web site at [www.theiia.org/CBOK](http://www.theiia.org/CBOK) and sign up to take the survey
- Encourage your co-workers and staff to take the survey when it is released
- Promote the survey within your organization, IIA chapter or affiliate and other professional groups

We anticipate the release of the survey in the third quarter of 2006. To learn more about CBOK, view project phases, sign up to participate in the survey or keep up to date on the project's status, visit [www.theiia.org/CBOK](http://www.theiia.org/CBOK).



# IIA/NY Chapter 2006-2007

# Seminars

at  
Madison Square Garden

**September 8, 2006**

*Jeffrey Beck*

- Champions of Change Business  
Process Audit Workshop

**October 13, 2006**

*Randy Marchany*

*Virginia Tech IT Security Office and Lab*

- Auditing Wireless Networks

**November 10, 2006**

*Steve Adubato* (Morning)

- Make the Connection: Improve Your  
Communication at Work

*Tim Pison* (Afternoon)

- Negotiation Skills

**December 8, 2006**

*Rich Lanza*

- Automating Your Audit Department for  
Improved Efficiency & Effectiveness

**January 12, 2007**

*Frank Voehl*

- Achieving Business Excellence Through  
Auditing

**February 16, 2007**

*Sandra Miller*

*S.J. Miller & Associates*

- Leadership Skills for Auditors

**March 23, 2007**

- Annual Audit Seminar

**April 13, 2007**

*Nick Barone*

- Addressing the Internal Auditor's  
Obligations to Detect & Prevent  
Fraud within the Department

**May 4, 2007**

*John McKeever*

*Contemporary Business Concepts*

- Fraud Prevention Internal Controls The  
Keys to Success

For More Information Visit our Website at <http://www.nyiaa.org/>

You're Invited to our Garden Party

Institute of Internal Auditors - NY Chapter

# Luncheons

at

**Madison Square Garden**

**September 8, 2006**

**Rich Cody**

*Former NJ Governor*

*-Experiences in the Public Sector*

**October 13, 2006**

**Nicole Silsby**

*Deloitte & Touche LLP*

*-Assessing Your Organization's Governance Processes*

**November 10, 2006**

**Steve Adubato, Ph.D.**

*- Communication Skills*

**December 8, 2006**

**Steve Goepfert**

*IIA Chairman of the Board*

*- IIA Activities & the "Tell the World" Theme*

**January 12, 2007**

**Lynn Bruneau**

*Protiviti*

*-SOX Lessons Learned*

**February 16, 2007**

**ACL**

*-Continuous Monitoring: Effective Strategy for Effective Controls*

**March 23, 2007**

*- Annual Audit Seminar*

**April 13, 2007**

**Ernst & Young**

*- Ho to Combine the Role of the Auditor as well as Trusted Advisor*

**May 4, 2007**

*- Awards Presentation*

**For More Information Visit our Website at <http://www.nyiaa.org/>**

# Career Opportunity

**Job Title:** Internal Auditor  
**Location:** White Plains, NY

## About the Organization

**Pentegra Retirement Services** is a pension service company located in White Plains, NY.

## Description

Reporting directly to the Audit Committee Chairman of our Board of Directors, the Internal Auditor is responsible for implementing an internal audit program for Pentegra Retirement Services and directing the activities of the internal auditing function.

## Responsibilities

- Review and evaluate the adequacy and effectiveness of Pentegra Retirement Services' systems of internal accounting, financial and other operating controls and the extent of compliance with these controls and other policies, plans and procedures.
- Develop and present an annual audit plan to the Audit Committee for approval and submit revisions to the annual audit plan for approval as needed.
- Schedule audits to ensure that each area of the organization is audited regularly. Initiate spot audits.
- Coordinate audit efforts with those of company's external auditors and other inside and outside resources of audit and compliance services, to avoid duplications and ensure that issues raised as a result of the reviews are appropriately addressed.
- Formulate practical internal audit functions to be incorporated into operations.
- Offer solutions to improve control environment to meet Pentegra standards and follow-up with managers and professionals to ensure satisfactory resolution.
- Provide audit reports to the Audit Committee and management with

recommendations to ensure each function continues to operate in accordance with established regulations, laws, policies and procedures.

- Report directly to the Audit Committee on a regular basis regarding:
  - Action that has been taken on significant audit findings, including those reflected on the exception report.
  - Efforts to direct audit activities toward the highest exposures to risk and toward increasing efficiency, economy and effectiveness of operations.
  - Adequacy of the internal audit plan
  - Audit schedule status and any recommendations for revision.

## Qualifications

- Demonstrated ability to direct the internal audit function.
- Familiarity with defined benefit and defined contribution plans.
- BA/BS degree or equivalent (preferably in Finance or Accounting).
- Minimum of 5 years relevant experience.
- Demonstrated proficiency organizing and prioritizing work to meet deadlines.
- Strong verbal, written, analytical and persuasive skills.
- Ability to interact effectively with all levels of employees and management.
- Must have working knowledge of word processing and spreadsheet software as well as using a calculator

Send resume, letter and salary history/requirements to: Colleen M. Zanicchi, Assistant Vice President, Human Resources, Pentegra Group, 108 Corporate Park Drive, White Plains, NY 10604-3805, Fax: (914) 694-9384, E-mail: [czanicchi@pentegra.com](mailto:czanicchi@pentegra.com)

Equal Opportunity Employer

New York Chapter 2006/07

**Board of Governors**

**Board of Governors (Term 2006-2009)**

John Brill  
George Brucato  
Anthony Dalessio  
Paul Flora  
Jack Garry  
Howard Shain  
Mike Lapelosa  
Thomas Woods  
Michael Lugo  
Luca Pagoto  
Michael Roemer

**Board of Governors (Term 2005 to 2008):**

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