

≡≡≡ **CONTROL BITS**

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Western Michigan *INFORMATION SYSTEMS AUDIT AND CONTROL ASSOCIATION* Newsletter

Spring Seminar Announcement

Audit, Control & Security of Electronic Commerce

Driven by the need to compete in today's global economy, organizations of all sizes are adopting electronic commerce (EC) to maintain their place in the marketplace. As with all technology advances, however, EC is not without risks, and if organizations must conduct business electronically to thrive, **they must also conduct it securely to survive.**

Western Michigan ISACA Chapter has engaged MIS to conduct their three-day seminar into an intensive two-day seminar. The Seminar will focus on content that will alert you to the critical risks in electronic commerce environments and provide you with proven controls and procedures for minimizing them. We will explore the design and implementation of effective internal controls systems, and learn how to conduct EC risk assessments, security reviews, and in-depth audits. We will cover the legal implications of electronic commerce, including trading partner agreements, privacy issues, and digital copyrights. You will leave this seminar with a clear picture of the high-profile role you can play in ensuring your organization's EC implementation is effective, efficient, and secure.

Bonus, Bonus, Bonus

Attendees will receive a diskette

with sample EDI and EC audit review programs.

Who Should Attend? (other than yourself)

Financial, Operational, Business Applications, Information Systems, and External Auditors; Audit and Information Security Managers; Business Managers and Analysts; Information Systems Managers and Analysts; Quality, Assurance Personnel; and Technology Planners

Advantages to attending Western Michigan Chapter Seminar?

- Two days of intense lecture and questions - no time wasting group exercises or break outs
- Starts on Tuesday (no Monday blues) and ends Wednesday (no Friday distractions)
- Price breaks for multiple attendees from Same Company and Professional Memberships
- Lunch will be provided on site
- Only two days - Less backup of work at the office (it seems to never goes away, even when you do!)

- Professional and Quality presentation from MIS Training Institute

Keep Reading, There's More!!!



About the

WILLIAM J. POWERS, CISA

Bill Powers is a Senior Instructor for MIS Training Institute and the author of the MIS seminar *Audit, Control & Security of Electronic Commerce*. A nationally recognized authority on EDI/EFT/electronic commerce audit, control, and security, Bill Powers is a Principal and the National Director of IS Auditing for BDO Seidman, LLP. Previously, he was Director of Information Technology Audit Services at Coopers & Lybrand, where he was responsible for developing and implementing national audit support and control review programs related to information technology. In this capacity, he was instrumental in the development of Coopers & Lybrand's *EDI Controls Review Guide*.

A much in-demand speaker on EDI topics, Mr. Powers co-chaired the American National Standards Institute ASC X12 work group on audit, control, and security in EDI/EFT environments. In addition, he has directed reviews of financial, operational and management controls in the EDI environments of several of the largest U.S. corporations. The author of the recently released monograph, *EDI Risks, Controls, and Auditing: A Guide for Auditors, Managers, and Users*, he is a member of ISACA, the Computer Security Institute, and the Information Technology Section of the American Institute of Certified Public Accountants.

Pertinent Information for your Education Planning

When: Tuesday April 25,2000 and Wednesday April 26,2000

Where: National City Bank, Kalamazoo, Michigan

Cost: \$250 for ISACA members

\$250 each for 3 attendees from the same company

\$275 for Members of IIA, AITP, AICPA CISSP & Other Professional Associations

\$300 for non-members

CPE'S: 15 CPE credits

Registration Forms will be sent by end of January

*Watch for More Information in Upcoming
Announcements*

February Dinner Meeting

Auditing Project Management

Software Development Life Cycle (SDLC); Software Development Methodology; Systems Development Methodology (SDM); Project Management Methodology

Are these part of your IT organization buzz words? Are these methodologies really a part of the everyday process? Are your User Customers complaining of missed dates, poor quality deliverables, blown budgets?

Everyone agrees that a consistent development methodology in the IT organization is the right thing to do, but not all IT shops practice what they preach. To take it a step further, one would argue that any one of these methodologies can not stand alone in the development process and that each must support the other. The SDLC must be supported by a development methodology, either systems or software, and that methodology is maintained and monitored through Project Management. Without Project Management, the SDLC and SDM do not provide the necessary controls over project deliverables and project quality.

Why Project Management?...Some interesting Facts:

Average Time Overruns – 230%

Average Costs Overruns – 178%

Average Features Delivered – 42%

Incomplete Requirements and lack of User involvement account for 25.6% of Project Failures

Hard working and focused staff accounts for only 2.4% of successful Projects

(Standish Group, 1995 based on 8,380 IT Project from companies with >500M revenue)

Without sufficient management of project schedules, resources and technical performance, which SDLC and SDM only provide the framework for, projects can be a significant drain on the companies resources and funds with little or no added value.

Presentation Outline and Speaker Bio will be provided in the January Newsletter and upcoming announcements.

When: February 16, 2000

Where: Duba's, Grand Rapids

Program Coordinator: Rick Cummings

3:00 5:00 CHAPTER BOARD MEETING

5:00 5:30 Social Hour / Registration

5:30 6:30 Presentation: Auditing Project Management

6:30 7:30 Dinner



As seen in the media . . .



As much as we tend to think of all the magazines, newspapers, etc. that clog our “IN” baskets as ‘junk mail’, there are those times when one or more of them will include a tidbit or small piece of very worthwhile information. And if you’re really lucky, it may be worth passing on. Here’s a couple of the “more worthy” articles which are worth the time to sit down, read, and share. A couple of them might be worthwhile “surprise drop-offs” at some significant management or user’s in-basket . .

“Turning Around The Project From Hell”

★★★★

ComputerWorld, November 22nd, 1999 issue, pp. 42–46

- ⇒ This is a very quick and concise read about a project that went beyond bad, but was then saved by some insightful analysis. Some VERY GOOD hints on traditional project management with updates for the new millennium!

“How CIO’s FAIL”

★★★

InformationWeek, November 1, 1999, pp. 42–56

- ⇒ Some good insight into the perils and pitfalls of being “at the top”. Also helpful for us from “the dark side” to understand how they work and what we need to do to help them help themselves . . .

“Balancing Act” and “The Uses and Abuses of Customer Profiling”

★★

Knowledge Management, November, 1999 issue, pp. 57–63

- ⇒ Following the excellent talk on Data Warehousing at our November Chapter meeting, this set of articles brings up some of the significant issues about providing new customer information without crossing the line of invasion of privacy. If you have an on-going e-commerce or data mining project going on using a customer database, this article will help remind you of the potential conflicts to watch out for.

The writer’s “STAR” rating guide:

- ★★★★ = Too good not to pass on!
- ★★★ = Better than expected!
- ★★ = Good stuff — it helps
- ★ = Some helpful background stuff



INTERNATIONAL NEWS

A Recap of ISACA events from the *ISACA WEB site*

Take advantage of early registration specials and save US\$100!

To meet the challenges of the New Year ISACA wishes to make you aware of some upcoming educational events. Because not all members will receive brochures in the mail for all the events listed here, this information is provided along with web site links for access to current conference information and downloadable brochures.

EuroCACS 2000, 26-29 March 2000 in Oslo, Norway, will concentrate on the rapidly changing technology that will affect the way business is conducted in the future. A prominent feature of EuroCACS 2000 is a series of sessions dedicated to IS/IT business management issues. With 35 conference sessions, 4 optional workshops and 33 continuing education credit hours, EuroCACS 2000 is your most cost-effective educational opportunity of the year. As an added convenience, the early registration deadline has been extended until 14 January 2000. Save \$100 by registering now!!

For more information and to register, please visit ISACA's conference web site
<http://www.isaca.org/eurocacs2000.htm>.

North America CACS 2000, 7- 11 May 2000, is when experts from around the world will gather in Dallas, Texas, to discuss the pertinent issues facing the IS and IT community. Whether you are confronted with issues of global importance or simply need answers to local challenges, North America CACS 2000 will provide you with state-of-the-art practices and knowledge to meet them with confidence and assurance. North America CACS 2000 offers 60 conference sessions and the chance to earn 47 continuing education hours. Register by 31 January 2000 to take advantage of the "early bird" discount.

For more information and to register please visit ISACA's conference web site
<http://www.isaca.org/nacacs2000.htm>.

The 2000 International Conference and Annual General Meeting of the Membership will be held 16-19 July 2000 at the Hilton at Walt Disney World Village in Orlando, Florida. Known for providing the most up-to-date information and the latest techniques, the 2000 International Conference will offer sessions on: The Virtual Audit Department, UNIX & Windows NT tools, eBusiness, IT Governance and Modern Systems Development. Register by 15 April 2000 and save. For information on the 2000 International Conference, visit ISACA's conference web site
<http://www.isaca.org/international2000.htm>.

If you need additional information, or would like to register for any of the above conferences, please fill out the appropriate on-line registration form or contact the conference department by calling +1.847.590.7472, e-mail: conference@isaca.org or by fax: +1.847.253.1443.



*Information Systems
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Association*

"Auditing the Connected Organization"

Dallas, Texas, February 7 - 10, 2000 -
Four Days, 30 CPE credits (NASBA approved).

www.auditservices.com want to extend to you a \$100 discount off the \$1,195 seminar fee. All that is necessary is for you to let us know of your intention of attending the seminar (no payment due now) in Dallas by 12/13/99. The \$100 discount will be applied to seminar fee payments received by 1/7/00. In the event you have to cancel before 1/24/00, we will still refund your seminar fee in full. Also, any changes in names of those attending will not alter your registration. Cancellations after 1/24/00 will be subject to a \$50 administrative fee.

More information on the seminar can be found at www.auditservices.com/itaudit.html

CISA CERTIFICATION UPDATE

2000 CISA Examination Bulletin of Information

Examination Date: Saturday, 10 June 2000

For additional Information
<http://www.isaca.org/exam2.htm>
or
certification@isaca.org.

It's time to report your yearly and/or 3-year certification CPE hours. Your membership dues and certification maintenance fee are due January 15, 2000.

For Year 2000, the dues remain the same - \$100 for National, \$25 for local Chapter and \$35 for certification maintenance.





Members On The Move!

Welcome:

Evelyn Retzlaff, CISA, CPA - joined the Accident Fund Co on November 15 as a Senior Information Systems Auditor. She was a member of the Kellie Moraine, Wisconsin chapter of ISACA before moving to Lansing. Welcome Aboard Evelyn and we look forward to seeing you at the February Meeting.

Updates:

Inge Saunders – Now with Ernst and Young, LLP

Dennis Mattingly – Can now be contacted at dlmattin@net-link.net

Cindy Schumacher – Assistant Director for Finance of the Charter Schools Office of Central Michigan University Campus.

Recent Openings:

Assistant Director/Internal Audit Central Michigan University

Performs information system audits of University departments and activities and may assist in operational, financial and compliance audits. Minimum qualifications include a Bachelor's degree in accounting, information systems or related field; two years of increasingly responsible auditing or information systems experience; ability to organize and document work effectively; familiarity and experience with information system auditing or information systems; ability to communicate effectively and project a positive image; experience with word processing and spreadsheet software. Desired qualifications include certification as a CPA, CIA, or CISA; familiarity with higher education or fund accounting and SAP. Send cover letter, resume, and the names, addresses and phone numbers of three professional references to: Human Resources/Staff, Rowe 109, Mt. Pleasant, MI 48859. Review of applications will continue until the position is filled. CMU provides flexible benefits, an excellent retirement program with tax deferred investment options, tuition waiver for employee and family, and competitive salaries in an environment committed to excellence and customer service. CMU, an AA/EO institution, is strongly and actively committed to increasing diversity within its community (see www.cmich.edu/aaeo.html).



*Information Systems
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Association*

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The WMISACA Board Wishes You a



Happy Holidays



And a Safe and Prosperous New Year

— THE FINE PRINT —

Control Bits and Audit Bytes is a publication of the Western Michigan Chapter of the *Information Systems Audit and Control Association (ISACA)*. The purpose of this publication is to disseminate useful and timely information on automated systems control and security issues to Chapter members and selected practitioners of computer systems audit and security. Articles, submissions, and advertisements are the responsibility of the submitter, and do not reflect the opinions, beliefs, or practices of the Western Michigan Chapter.

Materials submitted for publication in *Control Bits and Audit Bytes* must be received by the Newsletter Editor no later than the submission deadline published in the newsletter. If no submission deadline is published, the default deadline is approximately three weeks prior to the next scheduled meeting of the Western Michigan Chapter of the *Information Systems Audit and Control Association*.

The deadline for submissions for the next Newsletter is Friday, January 21, 2000!