

# Control Bits & Audit Bytes

Western Michigan *INFORMATION SYSTEMS AUDIT AND CONTROL ASSOCIATION* Newsletter

## MARCH 2002 NEWSLETTER

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#### WEB MASTER

**OPEN POSITION!!!**

## March 20th Dinner Meeting Holiday Inn -West 7501 W. Saginaw Hwy, Lansing

### BUSINESS CONTINUITY PLAN AND AUDIT ISSUES

BY

**Sander Wechsler, CPA, CISA**  
**Ernst & Young, LLP**

New threats to businesses and information systems are appearing on a daily basis - terrorists, hackers, viruses, sophisticated hacking tools, unpredictable transaction volumes, etc. Compounding this are the "conventional" threats faced by businesses - fires, floods, power outages, telecommunication failures, industrial sabotage, etc. A business Continuity plan (BCP) can help ensure continued operations in unknowns of today's and tomorrow's environments.

Sander will cover the differences among business continuity, disaster recovery and emergency response. His presentation will also cover things to plan for; business impact analysis; elements of an effective BCP; and how to audit a BCP.

Sander S. Wechsler, CPA, CISA is currently a Senior Manager with Ernst & Young, LLP in their Information Systems Assurance and Advisory Services practice located in Detroit, Michigan. Sander has over 11 years of Information Systems assurance and advisory experience. He has extensive experience in the design and implementation of policies and procedures over information systems. In addition, he has performed numerous audits of various hardware and operating system environments, ERP applications and eCommerce systems. He has also provided consulting services to one of the largest online exchanges in implementing controls to meet the requirements of SysTrust.

Sander is a past member of the American Institute of Certified Public Accountant's Systems Reliability Task Force, the task force responsible for the development of the SysTrust product. He is also a member of the ISACA Standards Board, the Michigan Association of Certified Public Accountants and the West Michigan Chapter of ISACA. He has delivered numerous presentations on a variety of topics including the euro, privacy, auditing firewalls, building trust in e-Commerce, auditing e-Commerce systems security and on auditing e-Commerce applications and application development

Please make your reservation and meal selection (see below) by March 15th!

Call Jamie Depuydt and make your reservation today!! **(616) 248-7426**  
OR e-mail Jamie at [jdepuydt@steelcase.com](mailto:jdepuydt@steelcase.com)

**Costs - \$27 Non Members / \$24 Members**

Dinner menu:  
1 - Turkey or Chicken  
2 - Beef  
Salad

**5:00-5:30 Social Hour /  
Registration**  
**5:30-6:30 Presentation**

In this "Helpers" Newsletter from Audit Services, questions answered include:

- \* How familiar are you with the new requirements for an EXTERNAL quality/peer review?
- \* Can you substitute your internal self assessment for an external review?
- \* Any requirements before you can use the statement, Audit "Conducted in Accordance with the Standards?"
- \* Do your internal auditing practices include offering consulting services?
- \* Will the skill sets of your staff "pass the tests" of an external peer review?

#### **EXTERNAL QAR Now Required - are you ready?**

How does your Quality Assurance and Improvement Program "measure up?" Compare your quality program to the new professional Standards. We have summarized some of the key points/issues discussed in the Standards and applicable Practice Advisory at <http://www.auditservices.com/qarprg.html>

Familiar with the requirements for an External Assessment? Can your self assessment qualify as an external review? YES, providing an external, independent validation is performed. A summary of the related Standards and applicable Practice Advisory can be reviewed at <http://www.auditservices.com/qarext.html>

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#### **INTERNAL Assessments**

Your internal assessments of quality of work should be ongoing. For a summary of some of the key points made in related Standards and Practice Advisory go to <http://www.auditservices.com/qarint.html>

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#### **Audit "Conducted in Accordance with the Standards"**

"Conducted in accordance with the Standards," a commonly used statement appearing in internal audit reports. According to the Standards, you can use this statement only if assessments of the quality improvement program demonstrate the audit activity is in compliance with the Standards. For additional information, read Standard 1330 and related Practice Advisory 1330 - 1.

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#### **CONSULTING Practices of Internal Auditors**

Can you conduct consulting engagements without jeopardizing your objectivity? YES, internal auditing objectivity should not be impaired since decisions to adopt or implement recommendations remain with management.

Should consulting practices be defined in

your Audit Charter and included in the audit plan? What should consulting engagement objectives include? What guiding principles should be considered when deciding on accepting consulting engagements? For a summary of some key points relative to performing consulting practices as outlined in the Standards and related Practice Advisory, go to <http://www.auditservices.com/consult.html>

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#### **Skill Sets of Staff**

Evaluate the skill sets of your staff to determine if the audit plan can be accomplished. (The staff skills will definitely be evaluated during the external peer/best practices review). For some assistance, refer to <http://www.auditservices.com/qarskills.html>

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#### **Related Training**

The skill sets of "Yester-Year" obviously will not get you through the day! A different focus; a different way of doing business - the messages of the day for the professional internal auditor. Our new seminar, "Auditing the Soft Side" of our Profession, may be one way to assist in changing the way you do business. Seminar summary at <http://www.auditservices.com/semsoftside.html>

What does senior management expect from the internal auditor today? What does the profession require of the internal auditor today? The expectations of both executive management and the profession today require internal auditors to provide more varied and management focused services - going beyond "just auditing." Our new seminar, "Auditing PLUS!" includes discussions on the new Standards, including consulting practices. For seminar highlights, <http://www.auditservices.com/semaudplus.html>

Maximize your training dollars. Our prices for customized, in-house seminars developed



- Bachelor's degree in computer science, information technology, or related subject
- 8 years of professional experience with 4 years of IT audit experience
- Excellent verbal and written communication skills
- Proven ability to manage teams in a project environment
- CISA, CISSP, or CIA designation is required or must be obtained subsequent to employment.

Travel does not exceed 25% per year, typically in three-week trips with many of them outside of North America. Dow is an equal opportunity employer offering a comprehensive benefits plan including medical, dental, life, and disability insurance, company matching 401(K), pension, and employee stock purchase programs.

Apply by e-mailing your résumé along with salary expectations to [mfenske@dow.com](mailto:mfenske@dow.com) and [behrmantraut@dow.com](mailto:behrmantraut@dow.com).

## Coming Attractions...

**April's Meeting:** April 11-12 Peter Osterio Seminar on "Risk Base Integrated Auditing & How to Build Computer Models for Continuous Monitoring". National City's Kalamazoo campus.

Updates regarding the upcoming meeting schedule can be found on the Chapter Website at [www.iserv.net/~wmisaca/](http://www.iserv.net/~wmisaca/).

### **CISA EXAM:**

*Final registration is April 3, 2002. The exam date is June 8<sup>th</sup>, 2002. Representatives of the Western Michigan ISACA Chapter will be at the exam site with coffee and bagels and a last minute encouraging word! Additional information is at <http://www.isaca.org/cert1.htm>*

#### **CISA Exam Item Writing Program**

*Put your IS audit, control and security knowledge to use by writing exam questions. Earn US \$50.00 and 1 CISA CE hour for each accepted question! To become an item writer you must submit an Item Writer Application and a signed Non-disclosure Agreement. The Non-disclosure Agreement must be received by the Certification Department at ISACA Headquarters before submission of items.*

### **President's Note:**

I'd like to take this opportunity to say goodbye to one of our board members that has done a tremendous job for the past few years. John Blair has accepted a position with Northwestern Mutual Life in Milwaukee, Wisconsin and will be packing up and moving out there in the next few weeks. If you get a chance, please wish John well.

*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*.



*Information Systems  
Audit and Control  
Association*