

27th Annual FMI Internal Auditing Conference
October 5-8, 2008
Hyatt Regency
Chicago, IL

Sunday, October 5, 2008

5:30 pm – 7:00 pm Registration and Reception

Monday, October 6, 2008

7:30 am – 8:00 am Continental Breakfast

8:00 am – 8:15 am **Welcome and Opening Remarks**
Lawrence E. Klos, Vice President, Internal Audit, Giant Eagle, Inc.

8:15 am – 9:00 am **Speaks – State of the Industry Review**
Hear how shoppers are reacting to rising economic pressures such as fuel costs, the credit crunch and high food inflation. Learn how successful food retailers deal with an incredibly complex market place by maximizing each shopping occasion. Hear an in-depth review of the state of the industry including overall financial and operational trends.
Anne-Marie Roerink, Director, Research, Food Marketing Institute

9:00 am – 10:30 am **Vendor Relationships – Fraud Detection Strategies for Retailers**
Ensure that vendor funds are received and reported accurately. Review the basics of auditing vendor agreements and payments and find out why so much fraud is missed. Understand how data mining tools can be effective and 5 key steps to audit vendor activity.
Courtenay Thompson, Consultant, Courtenay Thompson & Associates

10:30 am – 10:45 am Break

10:45 am – 12:00 pm **Accounts Payable & Recovery Audits**
For years, companies have been placing more emphasis on deterring fraud and managing risks in accounts payable. Find out how Internal Audit can assist management with controls to minimize and possibly even prevent losses from occurring. Learn about strong controls for vendor set-up procedures and how to use vendor and invoice attributes to identify vendor risk. Hear what tools and tactics are available for more effective continuous monitoring.
Eric Hayes, Vice President, Retail Solutions, Apex Analytix
Jim Arnold, President, Apex Analytix

12:00 pm – 1:00 pm Lunch

1:00 pm – 2:00 pm Concurrent Breakout Sessions
Corporate Expense Reports/Credit Cards (Discussion Group)
With increased focus on Sarbanes-Oxley compliance, ethics, tone at the top, fraud and other issues, internal auditors must be prepared to address expense report and credit card controls. Find out what tactics are most effective at reducing fraud and discover how your colleagues

are streamlining the auditing process. Bring questions and best practices to share.

Lawrence E. Klos, Vice President, Internal Audit, Giant Eagle, Inc.

Enterprise Risk: Aligning Assurance Activities with a Global Risk Framework

Regardless of whether or not your organization has formalized enterprise risk management, internal audit activities can add more value to and provide better assurances to audit committees and senior management by considering risks at the enterprise level. Review:

- Expectations and Opportunities
- Planning and Organizing the Function
- Executing Planned Activities
- Reporting

Take away strategies to more effectively review risk categories and sell the risk assessment to senior management.

Daniel Smith, Engagement Manager, Jefferson Wells International, Inc.

2:15 pm – 3:15 pm

Auditing Treasury Activities

Learn how and what to audit in the Treasury Department. Develop your auditing skills by understanding the inherent risks of treasury activities. Investigate the cash management and forecasting process along with the internal controls that should be present to safeguard liquid assets. Examine the audit issues surrounding wire transfers and gain an understanding of the internal controls that reduce fraud risk.

3:15 pm – 3:30 pm

Break

3:30 pm – 4:15 pm

Gift Cards – Risks and Controls

Discover the high levels of internal and external fraud risk associated with gift cards. Hear which controls are critical and why continuous monitoring is so important. Learn how to implement key controls and take away best practices to reduce fraud.

Kathleen Smith, Vice President, Loss Prevention, Safeway, Inc.

4:15 pm – 5:00 pm

Auditing Contracts – Where Are the Pay-offs?

Recover your department's operations costs through more effective contract auditing. Learn how auditors can identify problems with construction and IT contracts as well as leases and landlords. Understand the risks associated with contracting and contractors, why controls over contracts break down and common problems in contracting and barriers to auditing contracts.

Courtenay Thompson, Consultant, Courtenay Thompson & Associates

5:30 pm – 6:30 pm

Cocktail Reception

Tuesday, October 7, 2008

7:30 am – 8:00 am

Breakfast

8:00 am – 9:00 am	<p>Our Company achieved PCI compliance Now what? Even if your company is PCI compliant, your network may still be at risk of a security breach. Understand the risks the industry faces and why PCI compliance may not be enough. Learn what additional controls can be put place to minimize risk and how internal audit can test the effectiveness of those controls. <i>Barry Johnson, Director, Risk Mitigation, igxglobal</i></p>
9:00 am – 9:45 am	<p>Data Mining Learn about data mining tools used by retailers to monitor DSD, front-end and shrink. Discover common problems and trends revealed by data mining and develop effective monitoring activities for your organization. Improve company performance with effective data mining programs, relevant KPI metrics and benchmarking. <i>Representative, CapGemini</i></p>
9:45 am – 10:00 am	Break
10:00 am –11:00 am	<p>Inventory Procedures & Valuation Take away best practices to audit inventory. Examine perpetual inventory vs. UPC-based inventory as well as inventory frequency and valuation strategies. Explore the link to financial audits and hear how other retail organizations manage the inventory process. <i>Eric Feld, Director of Retail Store Audit, SUPERVALU INC.</i> <i>Jim Stringfellow, Director of Retail Reporting and Training, SUPERVALU INC.</i></p>
11:00 am – 12:00 pm	<p>How to Stay Energized in a Changing World Changes in organizations as well as increasing work demands multiply stress. Take away</p> <ul style="list-style-type: none"> • proven techniques to reduce stress • ways to relax under pressure • How to identify “good” versus “bad” stress • How to achieve better work life balance. <p>Don’t miss this unforgettable, humor-filled presentation. <i>Greg Risberg, CSP, MSW</i></p>
12:00 pm – 1:00 pm	Lunch
1:00 pm – 2:00 pm	<p>Breakout Sessions</p> <p>What Can Your Audit Committee Do for You and What Can You Do for Your Audit Committee? Find out how to improve communication and strengthen your relationship with your audit committee. Help the audit committee conduct its oversight responsibilities while garnering additional support for your department. Take away strategies to complement each other’s role in corporate governance. <i>Chris St. Clare, Partner, KPMG LLP</i></p> <p>Fighting Money Laundering – Complying with the Patriot Act (Discussion Group) Review USA PATRIOT Act compliance requirements for anti-money laundering training programs. Join this open discussion of best practices to maximize the effectiveness of your anti-money laundering processes.</p>

Share your company's processes and controls and hear what your contemporaries are doing.

Ryan Barbour, Director of Internal Audit, Delhaize Group

2:15 pm – 3:15 pm

Concurrent Breakout Sessions

Store Audit Reporting and Follow-Up (Discussion Group)

The audit report is one of the most important indicators of store performance. Controls evaluation, on-site observation, and communication with the corporate office is crucial in the success of your store audit program. Share your reporting and follow up techniques in this discussion group of your peers.

Theresa Maricevic, Internal Audit Manager, King Kullen Grocery Co., Inc.

Fuel Station Audits – Rev up Your Controls

Rising energy and gasoline prices have made efficient fuel station operations more critical than ever. Learn how to complete a thorough audit of your fuel operations and ensure the appropriate controls are in place. Find out how to effectively review fuel purchase agreements, fuel invoices and pricing. Review the basics of inventory procedures as well as effective safety and loss prevention measures.

Carl Ray Polk, Jr., President, Polk Oil Company, Inc.

3:30 pm – 4:15 pm

Managing Risk in the HR Function – Compensation and Benefits Compliance

Review human resource-related risks including employee benefit plan operational requirements and employee classification issues. Learn about auditing HR vendor service level agreements, performance measures and billing compliance.

Chris Lipski, Partner, Ernst & Young, Human Resource Risk Management Service Line Leader

4:15 pm – 5:15 pm

Open Forum

Join this one-of-a-kind opportunity to discuss your concerns with your peers. This lively discussion always presents new, exciting and often unthought of methods to help you with your most pressing questions. Bring your success stories and share them with the group. We will discuss what you want to discuss.

Dennis Hackett, Vice President, Auditing, The Kroger Co.

6:30 pm – 9:30 pm

Social Event

Join peers and colleagues for an unforgettable evening of fun, games and great food.

Sponsored by Apex Analytix

Wednesday, October 8, 2008

7:30 am – 8:00 am

Breakfast

8:00 am – 9:00 am

Reclamation/Unsaleables – Understanding Internal Audit's Role

Learn the most recent trends in the supply chain that either lead to or address the unsaleables/reclamation issues. Hear the latest on reclamation center operations, vendor swell allowances, product code

dating, damage prevention processes and how internal audit should evaluate the risks and controls of this critically important area.

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| 9:00 am – 10:15 am | <p>Financial Fraud Investigation – Do you Know who is Cooking the Books?
Discover the creative ways financial fraud occurs in an organization and equally creative ways to identify fraudulent behavior. From case studies, learn how to do an effective forensic audit and take away more effective techniques to proactively track and monitor fraudulent activity.</p> |
| 10:15 am – 10:30 am | <p>Break</p> |
| 10:30 am – 12:00 pm | <p>Food Safety Audits
Learn more about food safety issues as they relate to store and distribution center audits. Examine key risk areas and discover overall best practices related to food safety to improve the effectiveness of your audits.
<i>Representative, Food Marketing Institute</i></p> |
| 12:00 pm | <p>Adjourn</p> |