

internal auditing conference

Hyatt Regency . Chicago, IL . October 5 - 8, 2008

Ensure corporate compliance and achieve financial objectives . . .

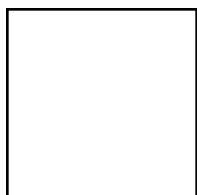
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CPE credits!



EDUCATION

REGISTER
TODAY!

2345 Crystal Drive
Suite 800
Arlington, VA 22202
www.fmi.org



FMI's Internal Auditing Conference provides the tools and strategies food retail industry auditors need to evaluate and improve internal controls and help their companies achieve financial goals.

Return to your company ready to:

Reduce risk with proper controls in key areas such as gift cards, fuel stations, PCI network compliance, compensation and benefits.

Implement best practices for hot audit department areas including recovery audits, treasury auditing, inventory procedures and evaluation.

Identify and eliminate fraud in construction, expense reporting and vendor relationships.

Who Should Attend

VPs, Directors, Managers involved in:

Internal audit • Finance • Compliance
A/P auditing • Loss prevention
Corporate controls

Planning Committee

Lawrence E. Klos (Chairperson)
Giant Eagle, Inc.

Ryan Barbour
Food Lion, LLC

Toney Coukart
Weis Market, Inc.

Dennis H. Hackett
The Kroger Co.

Theresa Maricevic
King Kullen Grocery Co., Inc.

Shawn D. Holdridge
The Great A & P Tea Co., Inc.

Jennie McCarthy
Safeway, Inc.

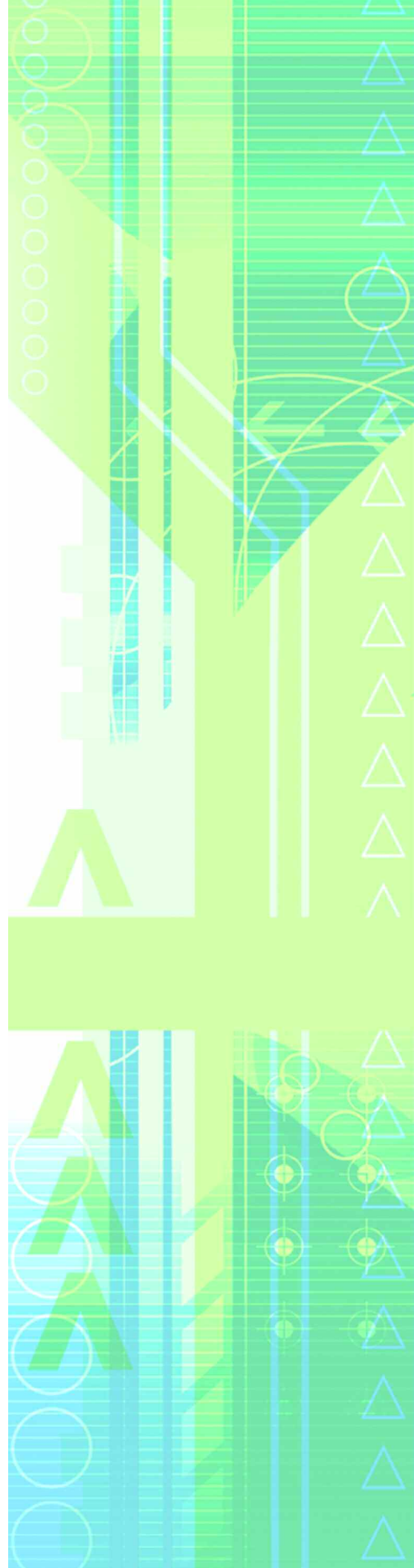
Carla Morgan
Brookshire Brothers, Ltd.

Kim Rymsza
*The Stop & Shop
Supermarket Company*

Richard Sigmon
Alex Lee, Inc.

Aileen Dullaghan Munster
Food Marketing Institute

Elizabeth M. Newton
Food Marketing Institute



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A G E N D A

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, Director, Internal Audit, Giant Eagle, Inc.

8:15 am - 9:00 am **The Food Retailing Industry 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. This in-depth review of the state of the industry includes 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 placed 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 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

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 operating 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

Tuesday, October 7, 2008

7:30 am - 8:00 am

Breakfast

Sponsored by Audit Technology Group

8:00 am - 9:00 am

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.

Barry Johnson, Director, Risk Mitigation, igxglobal

9:00 am - 9:45 am

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.

9:45 am - 10:00 am

Break

Sponsored by Audit Technology Group

10:00 am - 11:00 am

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.

Eric Feld, Director of Retail Store Audit, SUPERVALU INC.

Jim Stringfellow, Director of Retail Reporting and Training, SUPERVALU INC.

11:00 am - 12:00 pm

How to Stay Energized in a Changing World

Changes in organizations as well as increasing work demands multiply stress. Learn proven techniques to: relax under pressure, identify "good" versus "bad" stress and achieve better work life balance. Don't miss this unforgettable, humor-filled presentation.

Greg Risberg, CSP, MSW.

12:00 pm - 1:00 pm

Lunch

1:00 pm - 2:00 pm

Breakout Sessions

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.

Chris St. Clare, Partner, KPMG LLP

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. Share your company's processes and controls and hear what your competitors 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. The success of your store audit program critically depends on controls evaluation, on-site observation, and communication with the corporate office. Share your reporting and follow up techniques in this discussion group of your peers.

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

3:30 pm - 4:15 pm

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.

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, Human Resource

Risk Management Service Line Leader, Ernst & Young,

4:15 pm - 5:15pm

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 un-thought of methods to help you with your most pressing questions. Bring your success stories and share them with the group.

Dennis Hackett, Vice President, Auditing, The Kroger Co

6:00 pm - 9:30 pm

Social Event

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

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 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.

Ted Lechner, Reverse Logistics Manager, H-E-B

Gary Regina, Supply Chain – Replenishment, Support Manager, Winn-Dixie Stores, Inc.

9:00 am - 10:15 am

HIPAA Compliance - Retail Case Study

Effective HIPAA compliance requires coordination between IT security, internal audit, pharmacy operations, human resources and legal compliance. Explore the processes and controls used by a leading retailer to ensure that customer and employee information is handled securely and in accordance with federal regulations. Take away strategies to improve the efficiency of your compliance program.

Paul Lasly, IT Audit Manager, Wegmans Food Markets

Heather Kraft, Senior Internal Auditor, Wegmans Food Markets

10:15 am - 10:30 am

Break

10:30 am - 12:00 pm

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 food safety best practices to improve the effectiveness of your audits.

12:00 pm

Conference Adjourns

CONFERENCE INFORMATION

Conference Registration

Mail this form with payment to: FMI Education, P.O. Box 758884, Lockbox #758884, Baltimore, MD 21275-8884 or fax (credit card only) to 202.220.0830. If you have registration questions, Tiffine Hutchins at 202.220.0808 or thutchins@fmi.org. Conference content questions can be directed to Aileen Dullaghan Munster at 202.220.0704 or amunster@fmi.org. To register online, go to www.fmi.org/events, select Internal Auditing Conference, then "register on line" and follow instructions.

Registration Fee

Fee includes meeting materials, continental breakfasts, coffee breaks, lunches and receptions. Fee does NOT include hotel accommodations or airfare. NOTE: to qualify for FMI member rates, participant must be an employee of an FMI member company. Please remember, an FMI member is either a retailer or wholesaler paying annual dues to FMI. An associate member is a supplier company paying annual associate member dues to FMI. All others are non-members. Walk-in registrants must present payment of the registration fee in form of cash, company check or credit card.

RETAILER/WHOLESALE MEMBER COSTS: \$795 per person; \$745 per person if three or more (paid) attend from the same member company

ASSOCIATE MEMBER COSTS: \$1,125 per person

NON-MEMBER COSTS: \$1,350 per person

Cancellations/Refunds

General Cancellation Policy: 100% if cancellation is received by COB September 19, 2008; 60% if received by COB September 26, 2008. NO REFUND IF NOTIFICATION IS RECEIVED AFTER SEPTEMBER 26, 2008. IF REGISTRATION IS NOT CANCELLED BEFORE START OF MEETING, REGISTRANT WILL BE RESPONSIBLE FOR PAYING FULL REGISTRATION FEE.

CPE Credits

The Food Marketing Institute is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. Website: www.nasba.org.

The 2008 Internal Auditing Conference is a "group-live" event at the advanced course level and no advanced preparation is required. Prerequisites: Previous experience in Supermarket Auditing procedures. Attendance at the entire conference earns a total of 21.5 CPE credits. 3.5 CPE credits in the Management Advisory Services Field of Study, 1.5 CPE credits in the Personal Development Field of Study and 16.5 CPE credits in the Auditing Field of Study. For more information regarding administrative policies such as complaints and refunds, please contact Cliff Pratt (cpratt@fmi.org or 202.220.0828).

Hotel Information

Please make all room reservations directly with the Hyatt Regency at 888.421.1442. FMI has reserved a block of rooms for Internal Auditing Conference attendees. Please reserve your room by September 12 and mention FMI. The group rate is \$185 single / \$195 double. The Hyatt Regency Chicago is located at 151 E. Wacker Drive.

Special Airfares for FMI Meetings

FMI negotiated airfare and car rental discounts for attendees of this event. Please see the information below to take advantage of our special rates!

United offers special meeting discounts for attendees. Simply call (or have your travel agent call) United's Special Meeting Desk at 1.800.521.4041 and refer to Meeting ID Number 509RK to receive a 2–10 percent discount on applicable fares, including First Class. If you purchase a ticket at least 30 days prior to travel, you will receive an additional 5 percent discount. This special offer applies to travel on domestic flights of all United Airlines, United Express, TED and United code share flights (UA*) operated by US Airways, US Airways Express and Air Canada.

Discounts are available for international attendees flying on United, United Express and Lufthansa code share flights. For more information, call your local United Airlines reservation number and refer to Meeting ID Number 509RK.

Rental Car Discounts at FMI Meetings

Avis Rent A Car is the official car rental provider for this meeting. Special discounts are available for all attendees and include unlimited free mileage. Call Avis at 1.800.331.1600 or log on to www.avis.com to make your reservations. Be sure to mention discount code AWD # B235499. International attendees may fax their reservation requests to +1.918.621.4821.

Attire

Casual attire is suggested for all activities. For the comfort of all attendees, the meeting rooms are smoke free.

Program questions? Contact Aileen Dullaghan Munster at 202.220.0704 or amunster@fmi.org.

Logistics questions? Contact Elizabeth Newton at 202.220.0717 or enewton@fmi.org.



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Registration Form

Please fax to 202.220.0830.

Registration Questions? Contact Tiffine Hutchins at 202.220.0808 or thutchins@fmi.org.

Program Questions? Contact Aileen Dullaghan Munster at 202.220.0704 or amunster@fmi.org.

To Register Online: go to www.fmi.org/events/, select Internal Auditing Conference, click on "register online" and follow the instructions.

Please fill out all the information below. Duplicate this form for additional registrants. Please Type.

Registrant

☐ Mr ☐ Ms Last _____ First _____

Title _____ Badge Name _____

Company _____

Mailing Address _____

City _____ State/Province _____ Country _____ Zip/Postal Code _____

Phone _____ Fax _____ E-mail _____

☐ Companion Name (No fee) _____

Confirm to (if different from above) _____

Name _____ E-mail _____

Registration Fee: To qualify for FMI Member rates, participants must be an employee of an FMI Member company. An FMI Member is a retailer or wholesaler paying annual dues to FMI. An Associate Member is a supplier company paying annual associate membership dues to FMI. All others are Non-Members.

Retailer/Wholesaler Member: ☐ \$795.00 per person ☐ \$745.00 per person if 3 or more attend from the same FMI Member Company

Associate Member: ☐ \$1,125.00 per person

Non-Member: ☐ \$1,350.00 per person

Payment Information:

Enclosed is my check in the amount of \$ _____. If paying by check, mail this form with payment to Food Marketing Institute, P. O. Box 758884, Lockbox 758884, Baltimore, MD 21275-8884; Reference No. 3600-004-0210

Please charge \$ _____ to my: ☐ Visa ☐ MasterCard ☐ American Express

Account # _____ Exp. Date _____

Card Holder Name (please print) _____

Card Holder Signature (must sign to be valid) _____

Fax this form with payment to Food Marketing Institute at 202.220.0830.

Cancellation:

Please notify registrar in writing by email to thutchins@fmi.org or fax 202-220-0830. A full refund is granted when a cancellation is received prior to September 19, 2008. A 60% refund is granted if cancellation is received by September 26, 2008. **No refund if notification is received after September 26, 2008.**

Hotel Information:

Please make all room reservations directly with the Hyatt Regency at 888.421.1442.



FMI is committed to participation in its programs by persons with disabilities.

☐ Please check if you need accommodations.

Please specify: _____

FMI Use Only:

Batch Date: _____ Amount Received: _____ Check # _____

Account No.: 3600-004-0210