

22ND ANNUAL Internal Auditing Conference

Royal Pacific Resort • Orlando, Florida • October 12-15, 2003



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REGISTRATION FORM

Registration questions?
Program questions?

Tammy Thompson at 202/220-0710 or tthompson@fmi.org
Aileen Dullaghan Munster at 202-220-0704 or adullaghan@fmi.org

Please type or print clearly ALL the information below and feel free to duplicate this form for additional registrants

Company Information:

Company _____ FMI Member # _____
Mailing Address _____
City _____ State/Province _____ Zip/Postal Code _____ Country _____
Phone _____ Fax _____

Registrant Information:

Last Name: _____
First Name: _____
Badge: _____
Title: _____
Direct Ph #: _____
E-mail: _____
☐ Companion Name: _____
☐ I would like to be placed on the FMI Internal Audit e-mail list
☐ I am a CPA and I would like to get CPE credits for this course

Registrant Information:

Last Name: _____
First Name: _____
Badge: _____
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E-mail: _____
☐ Companion Name: _____
☐ I would like to be placed on the FMI Internal Audit e-mail list
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Registration Fee:

Every participant (to qualify for an FMI Member rate) must be an employee of an FMI Member company. Please remember an FMI Member is a retailer or wholesaler paying annual dues to FMI. An Associate Member is a supplier company paying annual dues to FMI. All others are non-members. All checks may be in US funds payable to Food Marketing Institute. Walk-In Registrants are welcome. Payment is required in advance for registration, we do not bill.

Wholesaler/Retailer Member 1 ☐ \$750 per person 2 ☐ \$700 per person (if 3 or more paid attendees are from the same company)
Associate Member 3 ☐ \$1000 per person
Non-Member 4 ☐ \$1200 per person

Payment Information:

Mail this form with payment to Food Marketing Institute,
P.O. Box 85080, Lockbox #4317, Richmond, VA 23285-4317 or fax to 202/220-0878



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

☐ Please check if you need accommodation and specify your needs _____

☐ Enclosed is my check in the amount of \$____.00 for the cost of ____ registrations.
☐ Please charge \$____.00 for the cost of ____ registrations to my: ☐ Visa ☐ MC ☐ AMEX ☐ Discover

Account # _____ Expiration Date _____
Card Holder Name _____ Signature _____

Cancellation:

To cancel, please call 202/220-0710 or email tthompson@fmi.org. A full refund is granted when a cancellation is received by October 3rd and a 60% refund is granted if cancellation is received by October 10th. Refunds will be made in the same manner conference payment was made.

Hotel Information:

Please make all room reservations directly with the Royal Pacific Resort at 407/503-3000.

CHECK OUT OUR OTHER EDUCATIONAL CONFERENCES AT www.fmi.org



Acct# 004-0210

Sunday, October 12, 2003

5:30 – 7:00 pm **Registration**

5:30 – 7:00 pm **Reception**

Monday, October 13, 2003

7:00 – 8:00 am **Registration**

7:00 – 8:00 am **Continental Breakfast**
Sponsored by Protiviti Consulting

8:00 – 8:45 am **State of the Industry**

Intense competition, war, declining economic conditions, demanding consumers and new technology have all converged during the past year to challenge us in a way never seen before. What else is in store for the food industry? Learn how retailers have weathered this 'perfect storm' and how the industry has changed as a result.

Michael Sansolo, Senior Vice President, Food Marketing Institute

8:45 – 9:30 am **Beyond Sarbanes-Oxley Compliance:
Control/Audit Strategies**

Sarbanes-Oxley has had an unprecedented impact on the internal audit function, placing even greater emphasis on control and disclosure processes. Are you confident you are in full compliance with Sarbanes-Oxley? This session will provide best practices for reviewing, documenting and evaluating your company's internal control structure and procedures.

Representative, KPMG, LLP

9:30 – 10:00 am **Break**
Sponsored by Protiviti Consulting

10:00 – 11:00 am **Using COSO for Enterprise Risk Management**

Now, more than ever, a strong emphasis on risk management is critical to the health of your organization. COSO has developed a framework to help companies build effective programs to identify, measure, prioritize and respond to risks. In this in-depth review, learn how this framework can be used to develop more effective and coordinated risk management strategies and take away valuable ideas for mitigating risk in your organization.

Representative, KPMG, LLP

11:00 am – 12:00 pm **Interactive Discussion: Sarbanes-Oxley**

In these highly interactive forums, attendees will have the opportunity to share their ideas, challenges and best practices for Sarbanes-Oxley compliance with their peers from either privately-held or public companies. Two breakout sessions: S-O for public companies and S-O for private firms.

Breakouts led by Conference Planning Committee

12:00 – 1:00 pm **Luncheon**

1:00 – 2:00 pm **The Changing Role of the Auditor**

A new paradigm has been created for the internal auditor. Auditors must now consider overall risk management strategies for the organization and become a consultant, leader and champion within the organization. Learn how the role of the auditor is changing, what new skills and talents are required and how you can prepare for these new responsibilities. Take away tips and strategies for growing your position and the role of your department.

Ann Butera, President, The Whole Person Project

2:15 – 3:15 pm **Facilitated Concurrent Workshops**

1. USA Patriot Act: Compliance as a 'Money Service Business'

The USA Patriot Act of 2001 requires new controls of business establishments that handle cash transactions such as money orders, check cashing activities, and wire transactions. In this interactive discussion, share key points of the procedures and audit practices for compliance and take away a review of the industry's best practices.

Richard Sigmon, Audit Manager, Alex Lee, Inc.

Clyde Minton, Assistant Controller, K-VA-T Food Stores, Inc.

2. Store Audits

Store operations have a huge impact on an organization's bottom line. Do your stores follow company policies to maximize efficiency and reduce opportunities for shrink? Learn what strategies other retailers have used to develop effective store audit procedures which reduce losses throughout the store.

*Mark Rodrigues, Vice President, Internal Audit Services,
Loblaw Companies, Ltd.*

3. Perpetual Inventory

Targeted application of a perpetual inventory program to specific high risk items can lead to increased awareness and significant reductions in shrink with minimal cost. Learn how one company cut through the paperwork to get results far beyond their initial expectations.

Larry Klos, Director, Internal Audit, Giant Eagle, Inc.

3:30 – 4:30 pm Facilitated Concurrent Workshops (Repeat)

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Larry Klos, Director, Internal Audit, Giant Eagle, Inc.

5:00 – 7:00 pm Reception with Table Top Exhibits

Tuesday, October 14, 2003

7:00 – 8:00 am Continental Breakfast

8:00 – 9:00 am Corporate Ethics and the Auditor

No industry is immune to ethical lapses. These issues, which may surface at all levels of a company, can have a fatal impact on an organization – just ask the 20,000 ex-Anderson employees. The internal auditor can have a tremendous impact in this arena – from being a clearing-house for information and best practices all the way to being the organization's chief ethics officer. Learn how you can increase your effectiveness and develop procedures that will enhance ethical behavior and compliance within your organization.

Kevin Mead, President, International Group of Accounting Firms, North America and Worldwide Operations

9:00 – 10:00 am Too Hot to Handle? Promotions and Allowances

Proper accounting of vendor promotional funds has become a hot topic in the industry. Retailers must continually investigate suspected irregularities to ensure that all funds have been received and properly applied. What are the pros and cons of various auditing and accounting practices? Learn what strategies are being used to improve accounting processes and take away new ideas for handling and monitoring promotional funds.

Bert Lacativo, Managing Director, FTI Consulting

10:00 – 10:30 am Break

10:30 am – 12:00 pm Continuous Improvement Strategies for HIPAA Compliance

Don't miss this opportunity to ensure that your HIPAA programs are compliant with all regulations and that they meet or exceed industry best practices. How are your peers tackling this issue? What steps can you take to maintain your program or even continually improve what you are doing? Privacy and systems security standards will be addressed.

Ed Lonczak, Special Projects, Price Chopper Supermarkets

Retailer panel

12:00 – 1:00 pm Luncheon

1:15 – 2:00 pm Are You an Effective Communicator?

Sarbanes-Oxley has greatly expanded the scope of responsibilities of the internal auditor. Now, more than ever, strong communication skills are critical as auditors interact at higher levels in the organization. Learn how you can improve the way you communicate with peers, your audit board, supervisors and consultants to become an even more effective leader.

Ann Butera, President, The Whole Person Project

**2:00 – 2:45 pm Internal and External Auditors:
Building Relationships That Work**

As the role of the internal auditor evolves, their relationship with an outside auditor will also change. How can internal auditors work better with consultants from the big four auditing firms? How should relationships be structured to provide the best solution for the organization? Learn what strategies a leading retailer and its consulting auditor used to increase the efficiency of the auditing practice. Take away tips and strategies for creating a more interactive and productive relationship with your external auditor.

Representative, PricewaterhouseCooper, LLP



2:45 – 3:00 pm Break

3:00 – 4:00 pm Combating Shrink at the Front-End

The front-end is the single greatest contributor of risk exposure and shrink impact in your stores. Learn the basic methodologies and tools used to assess risk at the front-end. Discover how to identify and track fraudulent transactions and take home strategies for reducing loss at the front-end.

Don Johnsey, Consultant

4:00 – 5:00 pm Open Forum

Back by popular demand! The open forum is your opportunity to raise questions, share ideas and discuss experiences relating to issues or processes that are most important to you. This one of a kind facilitated discussion group enables attendees to drill down to issues specific to the supermarket industry, your organization and your audit department.

Moderated by Internal Auditing Planning Committee

6:00 pm Luau

Bring your best Hawaiian shirt and relaxed attitude to this festive party. Enjoy island music, tropical cocktails and a bountiful feast as you renew old friendships and make new ones. Spouses are encouraged to attend.

Wednesday, October 15, 2003

7:00 – 8:00 am Continental Breakfast

8:00 – 9:00 am Food Safety and Auditing: What's the Link?

Food safety has become one of the most critical issues for the food industry. What is the auditor's role in maintaining safe food practices within an organization? Learn how a leading retailer has created a partnership between the audit and food safety departments to improve their food safety program.

Dennis Hackett, Vice President, Internal Audit, The Kroger Co.

9:00 – 9:45 am Loss Prevention/Internal Auditing Partnership

Two functions within the organization have a similar goal – to reduce loss for the company. At times, the duties of the loss prevention and internal auditing departments may overlap or the functions may not work cooperatively on an issue. How should the departments be structured to provide maximum value for the company? A leading retailer will share their strategy for creating synergy between the functions to improve effectiveness.

Claudette Blackistone, Director, Internal Auditing, Giant Food, Inc

9:45 – 10:00 am Break

10:00 – 10:45 am Gas Station Auditing

More and more grocery chains are entering the gasoline business. Explore the methods an auditor can use to assess the new risks posed by this lucrative business line. Learn what tools and strategies you should use and what controls should be in place. Bring your audit programs to help develop a best practice approach.

Clyde Minton, Assistant Controller, K-VA-T Food Stores, Inc.

10:45 – 11:15 am New Industry Initiatives and Their Impact on Internal Audit

Three major changes are on the horizon that will significantly impact internal audit departments:

- **EPC** – an RFID chip on pallets, cases and items will replace the bar code and revolutionize the supply chain and shrink programs throughout the industry.
- **Country of Origin Labeling** – new government regulations will require labeling and data back-up of the country of origin of hundreds of perishable commodities.
- **Reduced Space Symbology** – a new bar code will enhance information and tracking of perishable and random weight items.

Learn how these changes will impact the industry, when to expect implementation and what you can do to prepare.

Ted Mason, Director, Emerging Technologies, Food Marketing Institute

11:15 am Conference Adjourns

What you will learn...

1. How to reduce shrink at the front-end.
2. How to improve your Sarbanes-Oxley compliance plans.
3. How you can better communicate with audit boards and supervisors.
4. How to make your store audits more effective.
5. How to comply with the USA Patriot Act of 2001.
6. How COSO's ERM guidelines can help you better manage risk.
7. How you can influence ethics in your organization.
8. How to improve your HIPAA compliance program.
9. How to audit gas stations.
10. How you can work better with loss prevention.



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CONFERENCE INFORMATION

Registration

Mail this form with payment to: Food Marketing Institute, P.O. Box 85080, Lockbox #4317, Richmond, VA 23285-4317 or fax (credit card only) to 202/220-0878.

Registration Fee

Fee includes all meeting materials, continental breakfasts, coffee breaks, lunches and receptions. Fee does not include your hotel accommodations. Every participant — to qualify for FMI member rates — 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. Associate members are suppliers paying annual dues to FMI. All others are non-members.

Walk-in registrants must present payment of the registration fee in the form of cash, company check or credit card. Payment is required prior to the start of the conference.

Wholesaler/Retailer

Member Cost: \$750 per person; \$700 per person when three or more (paid) attend from the same company.

Associate Member Cost: \$1000 per person.

Non-Member Cost: \$1,200 per person.

Companion: No registration fee.

Cancellations

Full refund if notification is received prior to one week before meeting; 60 percent refund if less than one week's notification.

NO REFUND IF NOTIFICATION IS RECEIVED AFTER OCTOBER 10, 2003.

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 37129-2417.

Telephone: 615/880-4200, Web site www.nasba.org

The Internal Auditing conference is at the advanced course level and there are no prerequisites. Attendance at the entire conference earns a maximum of 19 CPE credits in the accounting and auditing field of study. A permanent record of participation is maintained by FMI. Contact Elizabeth Newton at FMI 202/220-0711 for further information and assistance.

Hotel Reservations

FMI does not arrange hotel accommodations; they should be made directly with the hotel. A block of sleeping rooms (\$159.00) will be held at the Royal Pacific Resort (6300 Hollywood Way, Orlando, FL) for our attendees until September 19, 2003. Reservation requests received after this cutoff will be confirmed on an availability basis at the conference rate.

All sleeping room accommodations are subject to applicable taxes.

Make your reservations directly with the hotel (407/503-3000) and be sure to identify yourself as an attendee at this FMI meeting to receive the special rate. Reservation must be cancelled FIVE days prior to your arrival to ensure advance deposit refund. Check-in time is after 4:00 p.m.; Check-out time is 11:00 a.m.

Airline Reservations

Delta and United Airlines, FMI's official carriers for this meeting, are offering discounted airfares to attendees. Call Delta or United today to take advantage of the special offer!

Delta

8:00 am - 11:00 pm daily

Eastern Standard Time

1-800-241-6760

Please refer to file #DMN190080A

United Airlines

8:00 am - 10:00 pm daily

Eastern Standard Time

1-800-521-4041

Please refer to file #509RK

Attire

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

Car Rental

Avis Rent-A-Car has been selected as the official car rental provider for this meeting. Special discounted rates have been extended to all attendees and are available one week before and after the meeting dates and include *Unlimited Free Mileage*. Call Avis at 1-800-331-1600, or log onto www.avis.com, request Group ID AWD#B235499 to make your reservations. International attendees may fax their reservation requests to 918/644-4600.

Planning Committee

Larry Klos (Chair)

Giant Eagle, Inc.

Toney Cothran
Weis Markets, Inc.

Mark Rodrigues
Loblaw Companies, Ltd.

Dennis Hackett
The Kroger Co.

Richard Sigmon
Alex Lee, Inc.

Linda Hall
Publix Super Markets, Inc.

Clyde Minton
K-VA-T, Food Stores, Inc.

Aileen Dullaghan Munster
Food Marketing Institute

Claudette Blackistone
Giant Food, Inc.



If you have questions or need additional information, contact:

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