

**Internal Auditing Conference**  
**Co-located with Financial Executives Conference**  
**May 22-25, 2011**  
**Sheraton Hotel & Marina, San Diego, CA**  
**Agenda (updated May 2)**

**SUNDAY, MAY 22**

3:30 p.m. – 4:30 p.m.

**COMMITTEE MEETING**

5:00 p.m. – 5:30 p.m.

**NEWCOMERS RECEPTION/ORIENTATION**

5:30 p.m. – 7:00 p.m.

**COCKTAIL WELCOME RECEPTION**

*Sponsored by Inmar, Inc.*

**MONDAY, MAY 23**

7:00 a.m. – 8:00 a.m.

**BREAKFAST**

*Sponsored by Connolly Consulting, Inc.*

8:00 a.m. – 8:15 a.m.

**WELCOME AND OPENING REMARKS**

*Toney Cothran Coukart, CPA, Chief Internal Auditor, Weis Markets, Inc.*

8:15 a.m. – 8:45 a.m.

**KEYNOTE ADDRESS: THE FOOD MARKETING INDUSTRY SPEAKS**

Hear the latest research from FMI Speaks and Trends and state-of-the industry overview of economic, consumer and industry trends and their effect. Explore how key trends and emerging issues may develop and prepare to meet those challenges and exploit new opportunities for growth.

*Pat Walsh, Senior Vice President - Education, Research & Industry Relations, Food Marketing Institute*

8:45 a.m. – 9:45 a.m.

**ACCOUNTING UPDATE**

Understand the tidal wave of new accounting pronouncements rolling in over the next few years, including new accounting requirements for revenue, leases and financial instruments. Get an update on recent developments at the SEC and hear a discussion on the most frequent SEC comments received by companies in the food retailing industry.

*Arie S. Wilgenburg, Partner, Deloitte & Touche LLP*

9:45 a.m. – 10:00 a.m.

**NETWORKING BREAK**

*Sponsored by Lavante*

10:00 a.m. – 11:00 a.m. **FOOD SAFETY AUDITING/RAPID RECALL EXCHANGE**  
*Pat Walsh, Senior Vice President - Education, Research & Industry Relations, Food Marketing Institute*  
*Robert Garfield, Senior Vice President, Safe Quality Food Institute*

11:00 a.m. – 12:00 p.m. **LEVERAGING CROSS-DEPARTMENTAL COLLABORATION TO IDENTIFY FRAUD**

Learn from specific case studies how internal auditing and loss prevention departments can collaboratively leverage expertise and experience to identify consumer, vendor and employee fraud and inefficient operations. Gain insight into the latest trends in organized retail crime and discover how to use data mining to identify hot spots and hot products. Find out why retailers risk losing thousands or even millions of dollars through poorly executed vendor contracts and learn how to avoid the pitfalls.

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

12:00 p.m. – 1:30 p.m. **LUNCH WITH SPEAKER**  
**CHANGING OUR ATTITUDE: MOVING FROM SURVIVING TO THRIVING**  
*Sponsored by NCH Marketing Services, Inc.*

Economic concerns, data security, regulatory challenges, healthcare uncertainties and consumer expectations have taken a toll on many professionals in the food retail industry, causing some to go into survival mode. It's time for a change in focus and attitude. Discover the secrets of 'can-do' leadership that will inspire your team members to strive for optimum performance, profitability and growth.

*Bruce S. Wilkinson, CSP- President, Workplace Consultants, Inc.*

1:45 p.m. – 2:45 p.m. **BREAKOUT SESSIONS**  
**PHARMACY AUDITING**

Join representatives of two national drug chain companies to hear the key risks and challenges internal auditors face in retail pharmacies, including inventory management and controls, pharmacy systems and access, exception reports and regulatory compliance considerations. Further your knowledge of pharmacy operations and learn actionable ideas and strategies to mitigate risks and improve controls.

*Hector Pearson, Senior Regional Loss Prevention Manager, CVS Pharmacy*

*Greg Beam, Director, Health and Wellness Asset Protection, Wal-Mart Stores, Inc.*

## **FUEL STATION COMPLIANCE AND INTERNAL CONTROLS**

Rising energy and gasoline prices have made efficient fuel station operations more critical than ever. Learn how to perform a risk assessment of your fuel operations and ensure appropriate controls are in place. review the basics of inventory procedures and effective safety and loss prevention measures.

*Carl Ray Polk, President, Polk Oil Company*

2:45 p.m. – 3:45 p.m.

## **DATA BREACHES: PATHS AND PREVENTION**

Do you know just how easily an unauthorized individual can gain access to your networks and sensitive data and remain undetected? Discover how corporate firewalls can be bypassed and how databases can be used to compromise host systems and corporate networks. Understand common weaknesses in Intrusion Detection Systems (IDS) and Intrusion Prevention Systems (IPS) configurations and learn about controls to protect your data.

*Kevin Nibler, Senior Manager, Security and Audit Services, Canaudit, Inc.*

3:45 p.m. – 4:00 p.m.

## **NETWORKING BREAK**

*Sponsored by Lavante*

4:00 p.m. – 5:00 p.m.

## **ACHIEVING BETTER OPERATING RESULTS VIA VENDOR COLLABORATION**

While retailer/vendor relationships will always be at arms length, a focus on Finance to Finance connections across company lines can yield valuable insights and benefits. Understand the key obstacles encountered in retailer/vendor collaboration and hear strategies for tackling them. Learn best practices for measuring performance.

*Mike Jefvert, Managing Director, PRGX Advisory Services*

5:30 p.m. – 7:00 p.m.

## **COCKTAIL RECEPTION**

*Sponsored by PRGX*

## **TUESDAY, MAY 24**

7:00 a.m. – 8:00 a.m.

### **BREAKFAST**

*Sponsored by Ameriquest Transportation Services*

8:00 a.m. – 8:10 a.m.

### **COMMITTEE CHAIRS REMARKS**

*Toney Cothran Coukart, CPA, Chief Internal Auditor, Weis Markets, Inc.*

8:10 a.m. – 9:00 a.m.

### **MERGERS & ACQUISITIONS: THE NEW WORLD ORDER**

Receive an overview of the current competitive landscape and lending environment as well as financial performance and merger and acquisition activity in the grocery industry, both in the retail and distribution sector. Stay current on issues facing other retailers nationwide and discover the strategies they have employed to successfully navigate through the current economic environment. Hear how your competitors are realigning operations to reduce overhead expenses and distribution costs. Explore ways to make similar tactical and strategic decisions that can improve your company's bottom line.

*David Schoeder, Principal, The Food Partners*

9:00 a.m. – 10:00 a.m.

### **THE FUTURE OF PAYMENTS: ARE YOU READY?**

How do companies gain an edge in the ever-evolving environment of consumer payments? Is your company ready for what's next? Understand how the latest legislative and technology trends, including mobile payments may impact the food industry. Discover what you can do to prepare. Learn how to approach payments strategically.

*Paul Cwalina, Senior Vice President, Supermarket and Petroleum National Accounts, First Data*

*Joe Samuel, Senior Vice President – Global Affairs, First Data*

10:00 a.m. – 10:15 a.m.

### **NETWORKING BREAK**

*Sponsored by Balance Innovations*

10:15 a.m. – 11:15 a.m.

### **PROTECT YOUR BOTTOM LINE FROM COUNTERFEIT COUPONS AND EXTREME COUPONING**

Reduce your exposure to counterfeit coupons through partnership opportunities, technology and training. Hear the latest coupon fraud schemes and the measures being undertaken to address this growing problem. Make your voice heard as the Coupon Information Council (CIC) refines the first industry wide voluntary best practice guide for coupon acceptance and explore new opportunities to enhance industry relations and lower costs by participating in CIC's ongoing industry reform efforts.

*Nancy Lindemood, President, Coupon Information Corporation and  
Associate Director, Procter & Gamble Distributing Company  
Jason Parsons, Senior Investigator, Target Corporation*

11:15 a.m. – 12:00 p.m.

## **FRONT END AUDITING**

The front-end is the single greatest contributor of risk exposure and shrink impact in your stores. Discover how cashiers can manipulate register systems to commit fraud and learn how to use key performance indicators (KPI) as an effective tool to identify fraudulent behavior at the front-end. Improve your company's bottom line by understanding the critical controls necessary to mitigate front-end shrink

*Don Johnsey, President, JD Johnsey & Associates*

12:00 p.m. – 1:00 p.m.

## **LUNCH**

*Sponsored by Prologic Redemption Solutions*

1:00 p.m. – 2:00 p.m.

## **ASSESSING AND MITIGATING SELF CHECKOUT SHRINK RISK**

Self checkout units have been a common feature in the grocery industry for the past 15 years and are becoming increasingly more prevalent. While increasing productivity and lowering labor costs, retailers acknowledge that this technology brings an increased risk of shrink. Learn how understanding and assessing loss risk is essential to successful implementation of self-checkout systems and discover what steps can be taken minimize losses.

*Jon Stokes, Director of Loss Prevention & Security, Fresh & Easy  
Neighborhood Market*

2:00 p.m. – 2:45 p.m.

## **OPEN FORUM**

2:45 p.m. – 3:00 p.m.

## **NETWORKING BREAK**

*Sponsored by Balance Innovations*

3:00 p.m. – 4:00 p.m.

## **PCI: PAST, PRESENT AND FUTURE**

The evolution of the PCI standard, mandatory for all retailers who process credit card transactions, poses time, resource and financial challenges on retailers. Follow the path to PCI compliance in this case study presented by a former Director of Internal audit at PETCO. Hear his perspectives on the role of the internal auditor in the compliance process and the internal and external risks that financial executives should be concerned about.

*Kevin Rigney, CISA, CISM, CISSP, Chief Information Security Officer,  
PETCO Animal Supplies, Inc.*

4:00 p.m. – 5:00 p.m.

## **EIGHT SLIPPERY SLOPES TO UNETHICAL BEHAVIOR**

Have you ever driven over the speed limit or perhaps downloaded music and not paid for it? If so, you know firsthand how hard it is to always stay within the law. This powerful business ethics presentation revolves around the thought processes that lead to unethical behavior. Kuhse uses his compelling life story to illustrate the eight critical thinking errors that lead to his becoming an international fugitive. Discussing each of these in-depth, he provides insight into common ethical dilemmas faced in business today.

*Patrick Kuhse, Internationally Recognized Business Ethics Authority*

6:30 p.m. – 9:30 p.m.

## **OFFSITE SOCIAL EVENT**

Join us for an unforgettable night under the stars! Step aboard the Adventure Hornblower yacht and take a 2 ½ hour sunset cruise around the San Diego Bay. Enjoy a delicious buffet and open bar while mingling with friends and business partners.

*Sponsored by Phyle Inventory Control Specialists*

## **WEDNESDAY, MAY 25**

7:30 a.m. – 8:30 a.m.

### **BREAKFAST**

8:30 a.m. – 9:30 a.m.

### **HOW TO AUDIT THE “TONE AT THE TOP” (CORPORATE ETHICS)**

“Tone at the Top” has become a hot button phrase over the past few years that describes the ethics culture determined by an organization’s leadership that will have a trickle-down effect on employees. Discover practical ways to audit your company’s “Tone at the Top”, how to communicate the results to management and the Audit committee and what steps to take if you determine that the “Top” is “Tone Deaf.”

*Sheri Brillhart, CIA, MBA, Consulting Manager Risk Advisory Services  
RSM McGladrey, Inc.*

9:30 a.m. – 10:30 a.m.

### **CAPITAL IMPROVEMENT PROGRAMS: SO WHAT’S THE RISK?**

Does your company have adequate controls in place to mitigate the risk of fraud, waste and abuse when it comes to construction activities? Learn how the current economy has profoundly affected capital improvement programs and the construction industry as a whole, why fraud is more likely to occur and how to mitigate the financial risks of a construction program.

*John M. Croy, National Leader, Construction Risk Advisory Services, RSM McGladrey*

10:30 a.m. – 10:45 a.m.

### **NETWORKING BREAK**

10:45 a.m. – 12:00 p.m.

### **DIRECT STORE DELIVERY (DSD) AUDITING**

Discover industry best practices to improve your store-level audit process and reduce shrink at the back door. Identify risks in the DSD environment, learn the critical auditing controls needed to reduce vendor and receiver fraud, and learn data mining techniques to identify shrink.

*Don Johnsey, President, JD Johnsey & Associates*

12:00 p.m.

### **CONFERENCE ADJOURNS**