Pre-Conference Workshop:
Innovative, Creative, and Strategic Thinking for Internal Auditors

Jacquelyn Wieland
CEO and Founder
High Potential Coaching Academy

This session is about you, the way you think and drive change individually. Today we are challenged to do more with less and to show up as collaborative partners both internally and externally. We will spend time on your mindset and how your thinking drives your behavior and outcomes. We will apply aspects of highly innovative people with curiosity, courage, risk taking, agile leadership and an awareness of impact on others in this fast-paced workshop. We will learn from each other so you can take best practices and actions with you as ideas to test or implement in your own audit environment.

In this session, participants will:
- Learn habits to identify trends and shifts that will drive change.
- Identify and overcome individual barriers to innovative thinking.
- Understand the importance of adapting to shifts.
- Design a plan to support a vision for creative, innovative thinking.
- Identify the challenges faced as they relate to aligning with your internal and external clients.

Jacquelyn Wieland founded her consulting firm which specializes in executive performance and high potential individual and team coaching with a focus on the development of leadership behaviors that characterize extraordinary leaders. She emphasizes leadership style, effective communication, and relationship building as critical building blocks to driving change, innovation and strategy. Wieland has coached and facilitated for organizations including NewsCorp, Moody’s Investor Services, Moody’s Analytics, AXA Insurance, C&A Financial, Scotia Bank, and Crédit Agricole. She holds certifications in Lumina Spark and Sales Personality Profiles, Metaplan
Facilitation, and Birkman Method (a behavioral assessment) and is completing her Action Learning Coaching certification.

Learning Field: Personal Development
Learning Level: Intermediate
Opening Keynote: Who Do You Trust? The Psychology of Professional Skepticism

Toby Groves
Cognitive Scientist
Groves Cognitive Research

We use the term "professional skepticism" without really knowing what it means. Do we know how to apply it effectively in varying environments? Research shows the answer is "no." Professional skepticism is more than adopting a questioning mind or doubting evidence; it entails a spectrum of thinking tools. This interactive session delves into the fascinating psychology behind subconscious factors influencing auditors' search strategies, evidence validation procedures, and hypothesis testing activities related to evidence and assertions.

In this session, participants will:

- Hear effective strategies for identifying relevant versus irrelevant evidence.
- Learn effective evidence validation techniques.
- Uncover and understand your unique subconscious automatic screening strategies.
- Understand how the audit environment affects your reasoning process.
- Take part in an exercise to demonstrate improvement of understanding and applications of skeptical reasoning.

Toby Groves is a researcher, advocate, and speaker who investigates the cognitive science of expert judgment. He teaches expert decision makers to tap hidden cognitive networks to maximize their powers of reasoning. A popular speaker among government and professional organizations that provide society’s most critical services, Groves is known for delivering unconventional, interactive, informative talks. Trained in a unique combination of behavioral and financial forensics, Groves is a doctoral level researcher in psychology. His commentary and story have been featured on media outlets such as NPR, in numerous professional journals, and is studied by leading researchers and business schools around the world.

Learning Field: Auditing
Learning Level: Intermediate
Forensics for Internal Auditors: Identifying Deception When Conducting Interviews

Jason Olson, MBA, CPA/CFF, CFE, CFI  
Partner – Forensic Services  
Eide Bailly, LLP

James Menck  
Senior Manager – Internal Audit Services  
Eide Bailly, LLP

Being able to conduct effective interviews is essential for internal auditors. The question is, are you able to detect deception? During this seminar, we will discuss an effective interview process, causes of deception during an interview, an understanding of where deception originates from, stress response states, and the difference between deceptions and lies.

In this session, participants will:

- Discuss interview styles and how to accomplish gaining information effectively.
- Learn how to establish a baseline and being able to identify exceptions during the interview process.
- Gain an understanding of the difference between deception and lies.
- Receive 10 tips for conducting a more effective interview.

**Jason Olson** has over a decade of experience as a forensic accountant conducting interviews and interrogations for fraud risk assessment and financial investigation purposes. He focuses on fraud prevention, detection, and investigation services for civil, criminal, and insurance recovery purposes. Olson has extensive training in fraud detection methodologies including interview and interrogation techniques and has investigated hundreds of cases with losses ranging from $5,000 to over $13 million.
James Menck is a career auditor with more than 25 years of experience in public accounting, internal audit, internal controls assessment and testing, and regulatory compliance. As an internal audit director of a national public company, he was responsible for Sarbanes-Oxley testing and reporting as well as financial and operational audit. Menck has spent the majority of his career in public accounting performing a variety of audit, compliance, and operational consulting services.

*Learning Field: Auditing*

*Learning Level: Beginner.*

**CS 1-2**

**Hospitality Basics: Knowing the Basics for an Effective Internal Control Program**

Warren Cruz, CIA  
Vice President, Finance and Hotel Accounting  
Atrium Hospitality

Debbie Langolf  
Director, Audit and Compliance  
Atrium Hospitality

Using the presenters’ experience in the hospitality industry, they will discuss how they have encountered common areas of risks in various hotel settings and how they implemented controls to mitigate those risks. Included in this session will be an overview of different hospitality terminologies to aid in better understanding the industry, and use this knowledge to create an effective internal control program.

In this session, participants will:

- Gain an understanding of basic hotel terminology and metrics.
- Identify common areas of risks in hospitality.
- Explore useful tools to track internal compliance.
Warren Cruz is responsible for Atrium’s accounting functions and serves on the organization’s executive team, actively involved in strategic decision making and policies of the organization. He joined Atrium from Commune Hotels, having held the roles of controller, regional controller, and corporate director of internal audit within four years. Prior to Commune Hotels, Cruz worked for Morgans Hotel Group for seven years, progressing through various management and property executive level positions, leading to his role as special projects controller, responsible for transitioning properties in and out of the portfolio. Cruz began his career with Noble House Hotels and Resorts as a staff accountant, rising to the role of property controller. Actively involved in the hospitality industry, he is the immediate past president and current board member of the Valley of the Sun Chapter of the Hospitality Finance and Technology Professionals (HFTP).

Debbie Langolf has been in the hospitality industry for more than 25 years. She made her mark as a hotel controller with both privately and publicly owned companies. Before joining Atrium, Langolf was vice president of finance at a hotel management company overseeing all accounting functions for 20 hotels, and is well versed in Sarbanes-Oxley compliance as well as the internal audit function. In her current role, she created and implemented Atrium Hospitality’s internal audit program, and oversees compliance with internal and external policy at all Atrium locations.

*Learning Field: Auditing*

*Learning Level: Beginner*

CS 1-3

Players’ Club Fraud: Methods to Prevent and Detect

Rob Stage, CIA
Director, Internal Audit
Boyd Gaming Corporation

Michael Lombardo, CIA
Internal Audit Manager
Boyd Gaming Corporation
Player’s Club frauds have been on the rise for years. How can we assist in the fight against this increasingly sophisticated phenomenon? During this seminar, we will discuss recently identified fraud schemes, methods to detect these frauds, and policies and procedures to implement to prevent their continued perpetration.

In this session, participants will:

- Discuss recent Player's Club fraud schemes.
- Identify procedures to assist in preventing or detecting these frauds.
- Explore ways to implement procedures to benefit the organization in preventing certain types of fraud.

Rob Stage has more than 12 year of internal audit experience in the gaming industry and is responsible for coaching and mentoring 16 internal audit professionals, covering 11 casinos and one regional corporate office. His jurisdictional responsibilities span across Louisiana, Mississippi, Indiana, Illinois, and Iowa.

Michael Lombardo has over 7 years of internal audit experience in the gaming industry, and is responsible for coaching and mentoring 14 internal audit professionals, covering 12 casinos and one regional corporate office. His jurisdictional responsibility is Nevada.

*Learning Field: Auditing*
*Learning Level: Intermediate*
Auditing the Security Department

Ron Reigle, CIA, CFE
Chief Compliance Officer
Marnell Gaming, LLC

Due to the cash-intensive nature of the gaming industry, top-notch security is a no-brainer. Given the constantly changing landscape of physical and regulatory risks, how can you tell whether your security department has evolved with the times? Coming to this conclusion after an event occurs is too high a risk for your employees and guests — and the cost to your bottom-line and reputation can reach the material level quickly, adding insult to injury.

In this session, participants will:

- Determine what top management requires of these functions.
- Learn how to determine if the functions are operating accordingly.
- Study real-life case scenarios for analysis and discussion.

Ron Reigle is a 25+ year veteran of the gaming industry. He is currently responsible for directing his company’s compliance plan, along with the internal audit and fraud-fighting efforts. Previously, Reigle was a vice president of corporate compliance and internal audit as well as a director of corporate compliance, internal audit manager, surveillance department manager, assistant controller, and director of security for various casinos. He created a Title 31 training video and authored two gaming books. Reigle is the co-founder, past chairman, and current member of the advisory board of The IIA’s Gaming Audit Group and serves on the board of governors.

Learning Field: Auditing
Learning Level: Beginner
Disruptive Change: What does this mean to internal audit in the hospitality and gaming industries?

Scott Springman, CRMA, CISA, PMP
Managing Director
Protiviti

Steve Wang, CIA, CRMA
Managing Director
Protiviti

What is disruptive change? What is internal audit’s role in helping the organization get and stay ahead of the disruption curve? What current events are causing disruption within the hospitality and gaming industries? These are important questions internal audit departments need to be asking with regard to significant areas of gaming and hospitality, such as data mining customer preferences; online gaming; online sports wagering; social casino games; and emerging and proliferation of customer-facing OTAs and customer options (such as AirBNB).

In this session, participants will:

- Discuss the belief that communication is the lifeline of any relationship, interaction, event, or situation.
- Understand and embrace the fundamentals of effective communication.
- Explore the impact of effective communication on professional development and establishing internal audit as "trusted advisor."
- Share tips on consistently applying the principles of effective communication.

Scott Springman has primary service delivery focus on IT audit and consulting. He has helped companies in the gaming and hospitality industries improve their IT controls for over a decade and has managed and executed many projects in the areas of performance and functionality testing, program management, security assessments, Sarbanes-Oxley / SSAE16 / state gaming requirements / HIPAA regulatory compliance, pre-implementation reviews, and a multitude of IT and business process reviews.
Steve Wang has more than 16 years of internal audit and business risk consulting experience, leading both co-sourced and outsourced internal audit engagements. He has extensive internal audit and enterprise risk management experience working in the manufacturing, hospitality & gaming, telecommunications, retail, and banking industries. Prior to joining Protiviti, Wang worked at two public accounting firms.

*Learning Field: Communications and Marketing*
*Learning Level: Beginner*

**CS 2-3**
**Marketing: Vulnerable to Abuse (Reduce Your Risk!)**

Rodrigo Macias, CFE  
Director, Risk Advisory & Forensic Services  
MGO CPAs and Advisors LLP

With its creative freedom, innovative ideas, abundance of customer development initiatives, and high-dollar budgets, there seems to be the potential for abuse and fraud within many organizations’ marketing departments. The perceived challenge within Marketing is the little-to-no independent oversight of their processes, as regulatory standards do not specifically address this area: external financial audits are based on a materiality level, and internal audits functions typically focus on gaming audits. This could leave marketing wide open to allowing fraud perpetrators to exploit and circumvent the current marketing control environment.

In this session, participants will:

- Obtain an understanding of the major processes performed by Marketing and the potential risks associated.
- Develop a tailored internal control testing methodology to auditing the Marketing function.
- Obtain practical tools for evaluating patron reinvestment, and ROI analysis of special events.
Rodrigo Macias has provided consulting and compliance testing services to over 50 Commercial and Tribal casinos across the country. His experience includes performing gaming and non-gaming internal audits, developing casino-wide risk assessments, AML compliance audits, training and development of internal audit departments, as well as overseeing engagements on casino fraud prevention and litigation support.

*Learning Field: Auditing*
*Learning Level: Intermediate*
CS 3-1: Top 10 Security Improvements from a Penetration Tester

Loras Even, CISA, CISM
Principal
RSM, LLP

The current state of security might change tomorrow – we live in that volatile a society. This session will demonstrate how professional testers penetrated an organization’s “secure” systems and exfiltrated sensitive information including PHI/PII and intellectual property. If certain controls had been in place, it could have prevented the test’s success, resulting in a less tempting target for a real attacker.

In this session, participants will:

- Review the current state of security (or lack of security).
- Receive a thorough sense of the internal and external penetration test conducted and examples of the booty gained.
- Gain an understanding of the value of using existing configuration options to make systems more resistant to compromise.

Loras Even serves as the security and privacy services leader for the organization’s West region. He brings more than 37 years of experience in IT, which includes 17 years of focusing on security and privacy. Even performs a variety of security consulting engagements for clients, assisting in security planning, evaluating technologies, and recommending security solutions.

Learning Field: Specialized Knowledge and Applications
Learning Level: Intermediate
Hotel management teams are no stranger to the audit world. They see internal and external auditors sent on behalf of ownership, the management company, and the brand. During this session, we will discuss common practices used in the planning and execution of internal audits performed over hotel operations and provide insight into procedures that contribute to a successful audit.

In this session, participants will:

- Gain insight to leading practices used in the selection of properties for audit through the execution of a hotel risk assessment.
- Discuss business process cycles and internal controls commonly tested during hotel audits.
- Receive tips and techniques to allow the results of a single audit to positively impact a large portfolio of hotels.

Josh Brown has extensive experience and knowledge of conducting internal audits and consulting engagements for clients in the hospitality industry. His lodging internal audit experience includes the review and testing of internal controls at the corporate ownership and management company levels, as well as for owner/operators of hotel properties spanning from focused service properties to full service resorts. In addition to his property audit experience, Brown has managed internal audit and consulting engagements spanning a variety of functions within the hospitality industry.
Joann Cangelosi is the firm’s national hospitality industry leader with has more than 20 years of combined experience in public accounting, private industry, and business consulting including Sarbanes-Oxley compliance and internal controls, internal audit services, business process improvement, and risk management. Cangelosi’s experience also includes audit services within a national CPA firm and SEC financial reporting and controller positions in global publicly traded companies. She has significant experience in the real estate industry, specifically within hotel, retail, multi-family, and commercial office real estate investment trusts (REITs). Her service experience includes financial and operational compliance audits at the owner, management company, and property levels.

*Learning Field: Auditing*

*Learning Level: Beginner*

**CS 3-3: Auditing Social Gaming**

Jon Rauch  
Vice President, Internal Audit  
Churchill Downs Incorporated

Craig Robinson  
Vice President, Casino Operational Finance  
Churchill Downs Incorporated

Social gaming continues to gain popularity across the globe. With new platforms to distribute content, companies face new opportunities and challenges. As internal audit, it is your responsibility to ensure the proper controls have been established. Does your current department have the necessary knowledge and resources to properly audit this ever-changing environment?
In this session, participants will:

- Understand the different types of social gaming platforms.
- Learn about the GAAP for social gaming and audit techniques to ensure it is being followed.
- Discuss challenges that companies face in establishing a sound control environment.
- Identify areas susceptible to fraud and discuss fraud prevention activities.

Jon Rauch has acquired invaluable experience as an audit professional to build a well-versed skill set over the past 12 years. Prior to joining Churchill Downs in 2015, he spent 10 years with PricewaterhouseCoopers auditing technology and manufacturing clients. His work has taken him around the globe working with clients to understand their business and challenges. Over the past two years, Rauch has worked closely with Big Fish Games (owned by Churchill Downs) to enhance and strengthen their control environment.

Craig Robinson has more than 26 years of casino gaming experience in both the internal audit and finance areas. He started his career with Arthur Andersen and KPMG before taking a position as vice president internal audit with Carnival Resorts. He has served in various leadership roles in finance, internal audit, and administration for Argosy Gaming Company, Jefferson Wells, Adams Harris and Penn National Gaming. He is currently Vice President of Casino Operational Finance for Churchill Downs Incorporated where he oversees a portfolio of nine casino properties. He is one of the founding members of The IIA’s Gaming Advisor Group, serving as chair from 2004–07, and continues to serve in this role. Robinson has been a featured speaker at numerous IIA events and teaches internal auditing and financial management specific to the casino/gaming industry.

*Learning Field: Auditing*
*Learning Level: Intermediate*
Money laundering has long been a threat to casinos because without proper controls in place, it can be a serious compliance risk. Attempting to rein in perpetrators, the IRS is increasing their use of data analytics in their examinations. This session will demonstrate advanced data analysis techniques that compliance professionals and internal auditors should be performing to help minimize "violations."

In this session, participants will:
- Understand what the money laundering risks are for casinos.
- Explore IRS data examination techniques.
- See how advanced data analytics can help identify and uncover potential money laundering indicators.
- Learn what proactive techniques can minimize IRS examination findings.

Jim Dowling has more than 30 years’ experience in the areas of fraud, anti-money laundering (AML), and risk management. He was a Special Agent with the IRS Criminal Division and a managing director at KPMG. Dowling also served as the AML advisor for the White House Drug Policy Office and worked closely with law enforcement and the intelligence community. He has testified numerous times as a fact and expert witness in state and federal courts regarding money laundering and fraud related issues. Dowling is an adjunct professor at USC, Leventhal School of Accounting where he teaches Forensic Accounting in the graduate program.
Brian Lopez specializes in providing investigative, financial, and economic consulting services in conjunction with business, accounting, Bank Secrecy Act, anti-money laundering, corruption, and fraud-related issues within the company’s forensic advisory services practice. He has significant experience with gathering and interrogating electronic data to assist in the analysis of all types of investigations, as well as regularly presenting, writing, and instructing on the subject of data analytics.

Learning Field: Auditing
Learning Level: Intermediate

CS 4-2: Relationships and Risk: Insights From Stakeholders in the Hospitality Industry

Brian Christensen
Executive Vice President
Protiviti

Susan Hulings, CPA, CIA, CISA
Director of Internal Audit
Allegiant Travel Company, Inc.

The profession of internal auditing has been making great advancements in performance, positioning, and perception. The Common Body of Knowledge (CBOK) stakeholder survey confirms these advancements but also highlights opportunities for internal audit – specifically within the hospitality industry – to push even harder, moving to the next level of value for organizations.
In this session, participants will:

- Discuss how hospitality industry internal auditors are doing on the fundamentals.
- Discover what kind of information stakeholders want beyond assurance from auditors.
- Explore stakeholders’ opinions on the auditor’s role and scope of that role in the area of strategic risks within financial institutions.
- Learn how to prioritize competing demands while addressing stakeholders’ expectations.

Brian Christensen is a member of Protiviti’s executive leadership team and is the current global leader of the firm’s Internal Audit and Financial Advisory Solution. In this role, he is responsible for the development and execution of Protiviti’s internal audit products. Christensen has more than 30 years of experience in helping clients increase the value of their internal audit function. He is a frequent speaker on auditing and risk topics at national conferences.

Susan Hulings has served in several leadership roles since joining Allegiant over 10 years ago, before being appointed to her current role. Prior to joining Allegiant, she worked for Mesa Airlines for over four years in internal audit management positions. Prior to Mesa, Hulings held various positions in financial reporting, accounting, and worked in public accounting. Earlier in her career, she worked in market research and advertising.

**Learning Field: Auditing**

**Learning Level: Intermediate**

**CS 4-3: Knowing What You Don’t Know**

Chris Peterson, CIA  
Director, Internal Audit  
Red Lion Hotels Corporation

Mark Larson  
Certified Audit Manager  
Sage Hospitality
Sometimes we can’t see the forest for the trees. We have had the tools all along to add value, but there may be new ways of using them to gain ground. This session will explore adding value through using artful approaches and techniques in audit interviewing, better managing limited resources, prioritizing stakeholder needs, designing programs, and facilitating communication for better results.

In this session, participants will:

- Identify stakeholder priorities for internal control design and audit modeling.
- Discuss ways to overcome the “don’t share information with the auditor unless they ask for it” syndrome.
- Talk about two-way communications between corporate offices and field/property operations as a function and responsibility of internal audit.
- Share ideas on using the limited resources of a small audit function to provide organizational value.

**Chris Peterson** has served in his current role with Red Lion Hotels since 2006. Prior to that he was an internal audit manager with Starwood Hotels and Resorts Worldwide, Inc. Peterson also served as director of internal audit for Starwood Lodging Corporation prior their acquisition of Sheraton Hotels and Westin Hotels in 1998. He began his long career in the hotel/hospitality industry as a night auditor in what was at the time the smallest Sheraton property in the world with 30 rooms. Peterson’s early career was spent in various front and back of the house property operations roles in Sheraton, Howard Johnson, and Omni hotels.

**Mark Larson** began his hospitality industry career in 1997 as an internal auditor. He has a long history in finance and audit positions, having served as hotel director of finance, regional director of finance, area director of Six Sigma, and director of financial planning, reporting and analysis.

*Learning Field: Auditing*

*Learning Level: Intermediate*
General Session 1: Managing Stakeholders' Expectations: C-Suite Panel Discussion

Moderator:
Robert Rudloff, CIA, CRMA,
Senior Vice-President, Internal Audit
MGM Resorts International

Internal audit can miss on management's expectations if they work inside their own bubble, doing what they think their organization needs, not what the organization's leaders expect. Panel participants will provide their insights of their expectations of the modern internal audit department.

In this session, participants will:

- Begin to understand others' views on what makes an internal audit team a contributor to the organization's success.
- Assess their own department's service delivery model against executive-level expectations.
- Reenergize perceptions of the internal audit function by steering away from low value perception work to the results management wants and needs.

Bob Rudloff has over 35 years of experience leading large and small internal audit teams in the gaming and hospitality business. In his current role, he leads a team of approximately 100 audit professionals in Las Vegas and various gaming markets in the United States. Prior to joining MGM Resorts, Rudloff was a director of internal audit services for PricewaterhouseCoopers and corporate director of internal audit for Trump Casinos and Resorts. He has served at the international and local levels of The IIA’s volunteer leadership for over 30 years, and was inducted into The IIA’s American Hall of Distinguished Audit Practitioners in 2015. He currently serves on the Audit Committee for the International Association of Gaming Advisors.

Learning Field: Auditing
Learning Level: Beginner
The term “cybersecurity” is all the rage today. The recent cyberattack breaches at Anthem, Home Depot, Target, JPMorgan, and others emphasize the importance of a continuous focus on cybersecurity. While organizations spend millions of dollars on the latest security technologies and infrastructure to protect themselves from becoming the next organization in the news, it must be aligned to an organization’s risk tolerance and be woven into the fabric of how each person — whether employee, customer, or vendor — thinks about data security.

In this session, participants will:

- Review key components of a strong cybersecurity risk management program.
- Identify strategies for preventing cyberattacks, including devoting adequate resources to monitoring.
- Discuss best practices for managing critical third-party vendor security risks.
- Review specific audit plan components.
• Explore recent learnings from SOC 2 readiness assessments and actions steps to implement.
• Come away with specific checklists and action steps to be completed as part of an audit plan.

Eric Pulse has nearly 20 years in the public accounting and consulting industry providing information technology risk advisory and cybersecurity consulting services to a variety of industries, including health care, insurance, financial services, banking, credit union, retail, manufacturing, and governments. He performs IT audits, cybersecurity reviews, and control reviews, as well as provides leadership in developing and enhancing IT risk advisory and cybersecurity consulting practice for people, processes, methodologies, and growth.

Scott Sisel has more than 25 years in public accounting with experience serving companies in a variety of industries, including SEC registrants, regulated entities and nonprofit entities. He currently leads the firm’s internal audit services practice, as well as the health systems industry segment. Sisel also was a partner at a Big 4 firm for 12 years prior to joining Eide Bailly, where he led Sarbanes-Oxley internal control related engagements. His experience includes advisory experience assisting organizations in reviewing internal controls. Sisel also led a project in the development of best control practices across the industry for use in internal control reviews and assessments. He has strong board governance and operational knowledge through his experience serving clients in a variety of industries and from having served as a board member, executive committee member, and audit and finance chair for several nonprofit organizations.

Importance of IT Controls in Today's Technology Environment
Paul Perry, CPA, CITP, FHFMA
Director of Security Services
Warren Averett Technology Group, LLC

The session explores why data security is important through a review of what issues there are with cybersecurity. We will also understand the Internet of Things — that which is causing the fear. Finally we will walk through common IT controls an organization should have in place to combat cybersecurity issues.
In this session, participants will:

- Understand the “why” on keeping data safe.
- Learn what is creating an unsafe world for data.
- Identify methods to keep data safe.

Paul Perry focuses on risk assessments, internal control, and IT-control related projects including Service Organization Control engagements and has been with the firm since 2004. He is also responsible for the firm’s general consulting projects. Perry leads the firm’s data analysis group, which provides data analysis solutions to internal and external clients. For more than 11 years, he specialized in auditing and assurance services. Perry has extensive experience serving clients in the nonprofit, governmental, financial, insurance, and health care facilities/hospital industries. He is also a published author, columnist, and regular speaker on topics such as data analysis, internal controls, and IT for accountants and auditors.

The Internet of Things: What Does This Mean to Internal Audit?
Matt Stamper, CISA, CIPP-US, ITIL,
Research Director - Security and Risk Management
Gartner Group

We are just beginning to see the impact of the Internet of Things (IoT) and its pervasive influence on organizations. Beyond the operational effects of deploying IoT, there are important considerations related to cybersecurity and how auditing systems with an IoT scope are addressed adequately. Our ability to retool our audit programs to address this “pervasive digital presence” within our organizations will be a critical competency for continued success in our field.

In this session, participants will:

- Learn the key elements of IoT technologies.
- Understand how IoT impacts business processes and operations.
- Develop strategies for incorporating IoT into broader audit programs.
- Understand the risk factors associated with IoT as they relate to core assurance principles.
Matt Stamper brings a broad, multi-disciplinary understanding to cybersecurity best practices to his clients and has experience with public and early-stage organizations. His diverse domain knowledge spans IT service management (ITSM), cybersecurity, cloud services, control design and assessment (Sarbanes-Oxley, HIPAA/HITECH), privacy, governance, ERM, sales management and individual revenue contribution, and new product and service development. Stamper is adept at conveying complex cybersecurity and IT concepts to boards of directors, executive management, as well as professional service providers. His executive-level experience with managed services, cybersecurity, data centers, networks services, and ITSM provides a unique perspective on the fast-changing world of enterprise IT, IoT, and cloud services. He is a co-author of the CISO Desk Reference Guide.

*Learning Field: Auditing*
*Learning Level: Intermediate*
CS 5-1: Risk Reduction through Surveillance and Cost Savings Tools

Dallas Denton
Surveillance Manager
Isles

Become the auditor who sees the casino with a new unique perspective. Look into the departments with new understanding and learn how to test them without having prior knowledge. Learn how to audit the surveillance department while creating a thriving team environment allowing for innovation. Experience what it feels like to catch a scam artist in the act. Auditors on the floor combined with the eye in the sky create a powerful tool for the good guys.

In this session, participants will:

- Understand the limitations of surveillance teams and technology.
- Find better ways of testing surveillance effectiveness without cutting off a strong collaborative environment.
- Learn how audits can ensure surveillance teams stay freshly trained and effective.

Dallas Denton has been a surveillance professional for nearly 10 years. He has a depth of knowledge of table games, including cheating techniques, surveillance systems, and extensive knowledge of blackjack card counting and advantage play. Denton’s understanding of internal theft scams and external theft exploits has led to his ability to bring about strong cohesion between internal audit and surveillance operations. He has developed standard operating procedures and internal controls for regulatory agency use.

Learning Field: Specialized Knowledge and Applications
Learning Level: Intermediate
CS 5-2: Three Lines of Defense Alignment Made Real

Keri Zader  
Director  
PwC

Court Maton, CPA  
Risk Assurance Partner  
PwC

Join us to learn how a rapidly growing international lodging company with over 1,300 locations worldwide is aligning with its internal audit function and the various lines of defense to gain comfort over evolving key financial, operational, and compliance risks.

In this session, participants will:

- Gain an understanding of how to enhance control and risk management by better understanding and coordinating the activities making up the three lines of defense.
- Distinguish among three lines of defense roles and responsibilities within the organization.
- Understand how to enhance the control environment and risk management across the three lines of defense.
- Review case studies exhibiting how 3LoD might operate in the hospitality industry.

Keri Zader works in PwC’s Risk Assurance practice and has more than 14 years of global experience in risk and controls auditing and consulting. She has focused on the delivery of audit and control services to the hospitality and real estate industries. Zader has significant business process experience, ranging from controls and compliance assessments to cooperative auditing projects with corporate internal audit departments. She served as a lead director in PwC’s National Internal Audit Center of Excellence, which sets the methodology for the company’s practice and assessing professional practices.

Court Maton has 30 years of diverse experience in assisting global entities in assessing, evaluating, designing, and implementing solutions for complex business processes and risk management issues, with extensive involvement in the streamlining of risk and compliance
activities. His major clients have included those with major operations in the government contracting, life sciences, manufacturing, and hospitality industries. Maton also has significant experience in the design, implementation, and operation of large internal audit and compliance activities, including leading the adoption of Sarbanes-Oxley at over 25 companies and has driven risk assessment, audit planning, and conducted internal audits and special projects that span all areas of risk, including business process, financial, compliance, and IT. Maton has performed quality assurance reviews using The IIA's professional standards for several companies.

*Learning Field: Business Management & Organization
Learning Level: Intermediate*

**CS: 5-3: Industry Changes and How Internal Audit Can Contribute**

Ernest Merlino  
Director, Financial Advisory Services  
National Gaming and Hospitality Group  
RSM US LLP

Jasmine Limbo, CIA, CISA, CFE, CRMA, CPA  
Executive Director (Global) Audit Services  
Sands Corporation

Matt Mitchell, CIA  
VP, Internal Audit  
Boyd Gaming Corporation

Stacie Welch, CRMA, CICA  
Director, Internal Audit  
SMSC Gaming Enterprise Little Six/Mystic Lake Casino

With increasing competition, growth of new technologies, and the introduction of new ideas and approaches, it is paramount that internal audit stay ahead of the curve. This session will review key changes in the industry from an operations perspective, and changes that internal audit should be anticipating for your own properties.
In this session, participants will:

- Explore changes in cash operations within the industry.
- Share ideas on how industry consolidation is affecting operations, including internal audit’s role.
- Learn techniques and approaches to aid casino operations in new initiatives.
- Discuss new and continuing regulatory pressures and business intelligence activities.
- Anticipate areas of high risk for gaming operations.

Ernest “J.J.” Merlino has dedicated his 19 years of experience to the unique needs of the gaming and hospitality industry. In his current role, he leads the Las Vegas office consulting practice, assisting clients with efforts in regulatory compliance and Minimum Internal Control Standards (MICS), development of effective internal audit departments, creation of anti-money laundering programs, development of anti-money laundering risk assessments, assistance with mitigation of Bank Secrecy Act/FinCEN examinations, facilitation of casino openings, and assessments of operational process improvement and profitability enhancement. Merlino joined the firm in 2011 with a background in gaming and hospitality operations management to the practice, including experience with finance, accounting, internal and external audit, accounting and internal control systems, and regulatory compliance expertise within the gaming and hospitality industry. Prior to joining RSM US, he worked in the Las Vegas gaming industry, most recently as the director of compliance for multiple properties on the Las Vegas Strip. In addition to his work with commercial casinos, Merlino has served multiple tribal gaming enterprises in various internal audit, external audit, and consulting capacities.

Jasmin Limbo joined LVSC in 2016 and is currently responsible for global IT audit and Sarbanes-Oxley compliance. Prior to joining LVSC, Limbo was the head of internal audit and Sarbanes-Oxley of a Fortune 500 company. She is highly experienced in IT audit, financial audit, operations audit, compliance audit, fraud investigations, Sarbanes-Oxley, and program management.

Matthew Mitchell has over 11 years of internal audit experience in the gaming industry and is responsible for coaching and mentoring 37 internal audit professionals; covering 24 properties in seven gaming jurisdictions. The internal audit team provides assurance and consulting activities to management spanning the areas of gaming, hospitality, information technology, and Sarbanes-Oxley compliance. Prior to joining Boyd Gaming Corporation, Mitchell spent the almost nine years with the internal audit department at Caesars Entertainment.
Stacie Welch has been in internal audit for 17 years with experience in all aspects of operational and gaming-related regulatory and MICS audits. As director, her primary responsibility is improving internal controls while focusing on strategic initiatives for operational efficiencies/process improvements. Prior to joining Mystic Lake Casino, Welch worked for Harvey’s Tahoe, WDW Resorts, and Marriott International.

Learning Field: Specialized Knowledge and Applications
Learning Level: Intermediate
CS 6-1: Regulating Skill-Based Games

Mackenzie Haugh
Director of Engineering
Gaming Laboratories International, LLC

Games of mental skill have appeared on electronic gaming devices for decades and have typically mimicked physical casino table games, such as Blackjack and Poker. With the popularity of various social games, the casino industry is turning to a different kind of skill game to keep players engaged: physical skill-based games. These games introduce new, unique regulations emphasizing actual performance rather than the theoretical design.

In this session, participants will:

- Be introduced to the concept of physical skill-based game designs.
- Understand current regulatory structures surrounding these designs.
- Be introduced to an audit-based approach to determine regulatory compliance.

Mackenzie Haugh joined GLI in 2001 and has extensive experience in the regulatory compliance testing of games, platforms, systems, hardware, and peripherals for land-based, server-based, lottery, and Interactive products. He is responsible for directing, controlling, and improving engineering activities across GLI laboratories in Colorado and Vancouver while interfacing with government regulators, suppliers, and operators around the globe to ensure products meet the expectations of the field and the technical/operational requirements of the market.

**Learning Field: Specialized Knowledge**

**Learning Level: Beginner**
How does an internal audit department go from being very good to one that is considered world-class? Within any organization, there are numerous areas where internal audit’s perspective and skills can provide some unique and invaluable insights to your leadership team and oversight committees. Understanding what matters most to your organization’s leadership is where and how internal audit can best achieve making the greatest positive impact to improving its relevance.

In this session, participants will:

- Learn how to enhance the risk assessment process within your organization.
- Discuss emerging risks and areas that most organizations are currently focused on.
- Discover worthwhile, relevant audits that can be performed.
- Understand how to conduct more meaningful and impactful audits.

Gregg Hart is a 25+ year veteran in the internal auditing field with extensive experience within the gaming and hospitality industries. With more than 17 years as a chief audit executive for two large publicly traded gaming/hospitality companies, Hart provides a wealth of knowledge and experiences in internal audit leadership. Hart is a past chairman of The IIA’s Gaming Audit Group and currently serves on The IIA’s Gaming and Hospitality board of governors.

**Learning Field: Auditing**

**Learning Level: Intermediate**
CS 6-3: Effective Communication: The Universal Language of the Internal Audit Trusted Advisor

Sanjay Patel
Chief Operating Officer
Illinois Power Agency

In today’s demanding and fiercely competitive global economy, people across all industries must understand and embrace the concept of dynamic communication. This interactive presentation explores how communication can play an integral role in the quest for professional development and the recognition of internal audit as “trusted advisor,” and how the impact of effective communication can be material, measurable, and memorable.

In this session, participants will:

- Discuss communication as a "lifeline" of any relationship, interaction, event, or situation.
- Understand and embrace the fundamentals of effective communication.
- Explore the impact of effective communication on professional development and establishing internal audit as "trusted advisor."
- Share tips on consistently applying the principles of effective communication.

Sanjay Patel has 25 years of progressive experience in state government, consulting, IT, and financial services, where he positioned internal audit as a trusted advisor and value-add business partner. Patel has delivered training presentations on topics including communication, crisis management, and more for The IIA and other trade organizations. He has conducted webinar presentations to diverse audiences across four continents, and published his own e-book, From Layoff to Take-Off, a blend of thoughtful storytelling and self-help concepts.

Learning Field: Communication
Learning Level: Intermediate
CS 7-1: Current Issues in Tribal Gaming Panel

Moderator:
William Byrne, CIA, CPA
Director, Audit
PCI Gaming Commission

Panelists:
Arthur Askins
Manager, Indian Gaming (Ret.)
New York State Gaming Commission

Traci Asher, CIA, CRMA
Audit Manager
Cherokee Nation Gaming Commission

Gina St. George, CPA, CFE
Senior Manager
Moss Adams LLP

This session will be an open roundtable discussion on issues facing Indian gaming auditors and how to foster a common understanding of issues facing us and regulators in the areas of slots, table gaming, cage, and hospitality. The panel will discuss changes in the gaming industry and specifically, the impacts on Indian gaming.

In this session, participants will:
- Engage in open-forum discussions on numerous relevant topics.
- Hear from panelists and fellow participants concerning issues of the present and future.
- Take away first-hand experiences for future use.
- Initiate conversations concerning specific issues facing individual properties.
Billy Byrne brings more than 25 years of gaming and auditing experience to his current role. He started his operational gaming career as a craps and roulette dealer in the UK, which led to becoming a casino manager for Norwegian Cruise Lines. Byrne’s auditing knowledge was acquired while working at PricewaterhouseCoopers performing financial, operational, and compliance audits across a variety of industries.

Arthur Askins is a 38-year veteran of the gaming and hotel industry serving as director of internal audit, controller, regulatory compliance, and as CFO for such brand names as Resorts International, Divi Hotel-Casino, Casino America, Sea Escape, Bally, Caesars, Seneca Gaming Authority, and the State of New York Gaming Commission.

Traci Asher oversees the internal audit function for 10 Cherokee Nation casino properties located throughout Northeast Oklahoma, comprising over 7,000 gaming machines, 85 table and card games, and more than 3,400 gaming employees. She is a Cherokee Tribal member and has worked in Cherokee gaming for 24 years; six years in operations as a revenue audit/accounting/administrative manager and 18 years as the audit manager, where she set up and developed the Commission’s internal audit function.

Gina St. George has more than 20 years of combined public accounting, hospitality, and gaming industry experience, including roles as a controller for a tribal gaming hotel and casino, financial and compliance auditor, and restaurant manager. Her experience includes auditing and financial reporting, compliance with state and federal regulations, forensic accounting, and developing and implementing operational and accounting internal controls. St. George serves as the lead on gaming and hospitality consulting engagements and her services include external and internal audits, forensic and fraud investigations, control system improvement, and operational assessment projects.

Learning Field: Auditing
Learning Level: Beginner
CS 7-2: Signals of Change: Going Beyond the Traditional ERM Framework and Exploring Strategic Risks in the Gaming and Hospitality Industries

Shane Neganagard, CIA, CRMA
Advisory Senior Manager – Internal Audit
Deloitte and Touche LLP

Linda Milburn-Pyle
Principal, Risk and Resilience, Deloitte Advisory
Deloitte and Touche LLP

Samantha Coster, CRMA
Senior Director, Enterprise Risk/Internal Audit
Hilton Hotels Worldwide

Most gaming and hospitality companies today have a strong grasp of operational and financial reporting risks, but the least time is spent on identifying and tracking strategic risks. This session will address innovative opportunities for internal audit to play an important role in risk management.

In this session, participants will:

- Obtain an overview of industry risks, exploring industry trends and specific strategic risks for consideration.
- Share and reflect on some of the top enterprise risks that companies like Hilton Hotels are uncovering and the evolution into addressing strategic risks.
- Discuss the potential impact(s) to participants' existing enterprise risk frameworks and management programs.
- Learn about additional leading ERM practices that involve strategic risk and how internal audit can lead organizations to focus on both risk and strategic decisions.
- Obtain short term and long term next steps for internal audit functions to consider.
Shane Negangard has more than 17 years of experience and skills obtained in internal audit business process and IT controls with numerous years managing and performing internal control reviews in the gaming and hospitality industries. He has reviewed, designed, implemented, benchmarked, and reengineered operational processes and internal controls by developing internal control systems, procedures, and policies. Negangard has worked with attestation auditors for Sarbanes-Oxley 404 and gaming compliance purposes and provided risk-based internal audit services to client management teams. He has also performed gaming and licensing compliance reviews for Tribal Gaming and international casino operators. He has been active in training casino and internal audit personnel in internal controls and operational risks. Negangard has worked directly with gaming regulators as well as a Native American casinos throughout various gaming jurisdictions where he has reviewed internal controls against minimum internal control standards and leading practices for casinos.

Linda Milburn-Pyle has 23 years of experience working for Deloitte & Touche and has managed multiple teams across the US as well as internationally. She focuses on aspects of risk management including internal audit for large multinational clients as well as global clients of the firm in the hospitality industry. Milburn-Pyle has established strategic frameworks, including scenarios, processes, and tools that push risk assessment, analysis, and mitigation to a forefront role in a company’s overall plan.

Samantha Coster oversees the global ERM program office as well as Sarbanes-Oxley compliance and corporate audits. She has been with Hilton for the past four years and helped them traverse the significant shift from traditional to strategic ERM. Before Hilton, Coster was the director of audit at a retailer in Savannah, and also a partner in a risk and assurance consulting firm. Prior to moving to the U.S. in 2002, Coster started her career within the assurance practice at Andersen in London UK. Her industry experience includes hospitality, retail, media, technology, and manufacturing.

*Learning Field: Auditing*
*Learning Level: Intermediate*
CS 7-3: Here We Go Again: Transitioning to the New Leases Standard

Chris Wright
Managing Director
Protiviti

Charles Sorrano
Managing Director
Protiviti

This presentation will detail the new FASB leasing standard and provide nuances to consider to ensure the present infrastructure supporting lease accounting remains intact. In doing so, we will use the following to frame the discussion: Why change? What’s new? What are the implications to consider in the gaming and hospitality industry?

In this session, participants will:

- Distinguish which organizations will be impacted by the new standard.
- Describe the changes to current lease accounting practices.
- Outline the major impact to organizations in the gaming and hospitality organization.
- Develop ideas for implementing a transition plan for their organization.

Charles Sorranno is a leader in Protiviti’s finance and accounting excellence (FAE) and internal audit practices. He is also the Eastern Region leader for Protiviti’s public company transformation practice assisting clients with financial reporting compliance, corporate governance, internal control readiness, risk and compliance, and IT transformation. Soranno has provided assistance to companies experiencing significant reconciliation and restatements, business combination activity, divestitures and carve out/separation initiatives, external auditor and regulatory inquiries, and difficulties in implementing new accounting pronouncements, including Fair Value Accounting and IFRS. He is a frequent public speaker on matters of technical accounting, financial reporting, and internal control matters.
Chris Wright oversees the finance remediation and reporting compliance group and also serves as the regional managing director for Protiviti’s Eastern U.S. region. He has more than 25 years of experience serving clients as an external auditor, including six years as a partner at two global accounting firms (Arthur Andersen and KPMG), and as an internal auditor and financial reporting risk consultant.

*Learning Field: Accounting*

*Learning Level: Intermediate*
In recent years the National Indian Gaming Commission has been active in changing and adopting new regulations, with the new 543 Minimum Internal Control Standards and the 547 Minimum Technical Standards for Gaming Equipment taking center stage. This session will explore the requirements of 543.20 and how to approach applying and auditing them.

In this session, participants will:

- Discuss an overview of 543.20, including key concepts and terminology.
- Understand how to perform an IT risk assessment of your systems and technologies.
- Identify technology threats and best practices through actual cases.
- Strategize implementation for IT auditing within tribal gaming.

**Grant Houle** has more than 15 years of professional experience in accounting, audit, and financial management, including nine in gaming at Mohegan Sun. He currently manages the governance team, responsible for compliance and operational audits across IT and business units. In addition, Houle managed the operational accounting team for two years, overseeing gaming, hotel, and inventory accounting. Prior to Mohegan Sun, he was the associate vice president of operations and finance with Ticket Network, a technology solutions startup in the secondary ticket market.
Brandon Loeschner is a leader in the firm’s Gaming Industry Group with experience in adjusted gross receipt audits, reviewing and evaluating minimal internal control standards for local jurisdictions for cashless wagering and remote access, evaluating proposals to build a gaming facility with an objective and quantitative review of the proposals’ economic contribution to local taxing jurisdictions. Loeschner also specializes in risk services including internal audits, risk assessments, compliance consulting, and operational audits. In addition, he leads the organization’s data assurance and analysis team, working with internal audit departments on how to implement data analysis and continuous monitoring of the audit process.

David Hendrickson has more than 15 years of information technology and information security experience. He specializes in penetration testing, social engineering, physical security assessments, and application security assessments. He has conducted hundreds of vulnerability and penetration testing projects including those required for regulatory and compliance requirements. Prior to joining RubinBrown, Hendrickson was the information security manager at a university in Colorado.

Learning Field: Auditing
Learning Level: Intermediate

CS 8-2: Audit Methods for Resort Operations

Andy J. Lemon, CFE
Internal Auditor
French Lick Resort and Casino

Jason Gossett
Internal Auditor
French Lick Resort and Casino

Learn how internal auditors at a large resort, once referred to as “The Eighth Wonder of the World,” scope in risks and perform audits covering multiple industries within their massive and wide-ranging operations. Six major audit areas will be covered: common bar scams, pool safety, contracts, marketing, major event audits, and food and beverage audits.
In this session, participants will:

- Develop an understanding of food and beverage safety issues and regulations.
- Learn to identify common bar scams using variance tracking and POS system reports.
- Explore conducting audits of a major event including safety, security, remote bars, and ticket reconciliations.
- Enjoy great stories including “The Coffee Audit,” “Show Me Your Shake,” and “Shots!” to illustrate common risks many organizations face.

**Andy Lemon** has internal audit experience as well as compliance audit experience from Republic Bank, where he was responsible for managing the bank’s third-party risk of tax refund solutions and prepaid cards. He consulted for the audit programs of Jackson Hewitt, Liberty Tax, and H&R Block. Additionally, Lemon worked in the regulatory compliance department at Springleaf Financial Services and American General Finance.

**Jason Gossett** oversees the internal audit function at his organization and prior to joining FLRC, he was the senior auditor at Tropicana Entertainment and Casino Aztar. Additionally, Gossett worked as a background investigator for CACI International in Washington D.C., where he held a top secret government security clearance while conducting background checks and interviews for the US Office of Personnel Management (OPM). Gossett is designated as a ServSafe Food Protection Manager, and has a certificate from The Reid Technique of Interviewing and Interrogation.

**Learning Field: Communications**  
**Learning Level: Beginner**

**CS 8-3: Communication Strategies to Facilitate Positive Change and to Create Value in Internal Audit**

Larry Kuhar, Ph.D.  
Internal Audit and Communications Consultant, LDK Blue Skies  
English Professor, Wilkes University
The effectiveness and value of Internal Audit depends largely on the communication skills of internal auditors. These skills — whether used to communicate with management, with others in the organization, or with external constituencies — drive internal audit’s ability to facilitate positive change and to create value. This session will focus on written and interpersonal communication skills, relevant IIA Standards to ensure alignment with strategies; and internal audit report structure.

In this session, participants will:

- Learn to identify implications behind IIA-reported changes in audit plan coverage.
- Identify communication challenges and opportunities.
- Explore aligning The IIA Standards with available personnel’s skills.
- Discuss skills for effective writing and interpersonal communications internal auditors need.
- Identify strategies to develop relationships and trust through communication.

Larry Kuhar has worked as a consultant in business and industry for over 25 years. He has worked extensively in internal audit, including work on writing effective audit reports, developing processes for effective risk management, conducting effective audit interviews, assessing and writing policies and procedures, and shaping the role and culture of audit teams. Dr. Kuhar has written and consulted on leadership development, workplace communications, team building, cultural competencies, culture change initiatives, and conflict mediation.

*Learning Field: Communications*
*Learning Level: Beginner*
Thursday April 20, 2017 4:15 PM – 5:30 PM

Closing Keynote: Changing by Doing: A New Way to Change

Dr. Jerry Jellison
USC Professor Emeritus and Current Chairman
USC Credit Union

Change, change, change is the mantra of our time. Workers feel overwhelmed with implementing change. The problem isn’t too much change; the problem is that the tools we use to adapt to change are outmoded and ineffective. We are told to change our thinking to change our actions. What if we reverse that process? The tools offered in this session will enable you to experience the benefits of change even before you are persuaded it will be a good thing. Your positive experience will trigger a change in your thoughts and feelings.

In this session, participants will:

- Learn to use a new action-based approach to change.
- Recognize the limitations of the power of positive thinking.
- Discuss separating fear of change from the reality of change.
- Take part in experiential learning to accelerate personal growth.
- Explore the Power of Positive Doing.

Jerry Jellison has been a full professor of social psychology at the University of Southern California in Los Angeles for over 30 years. He held previous appointments at Duke University, the University of Missouri, and the University of Texas, Austin, and has received multiple teaching excellence awards. Dr. Jellison served as president and chairman of the board of the 30,000 member USC Credit Union for 23 years and helped create a 100-fold increase in assets from $2 million to over $300 million. He has been teaching his practical techniques for implementing change to business professionals throughout the world for the past 25 years. He has extensive experience consulting with all levels of management. A popular keynote speaker, Dr. Jellison has addressed audiences around the world for over 25 years. He has extensive experience connecting with all levels of management from CEOs to front line supervisors and employees. His book,
Overcoming Resistance, was a Fortune Book Club selection and named a top business book. Dr. Jellison also wrote Managing the Dynamics of Change and Life After Grad School. Press.

Learning Field: Auditing
Learning Level: Intermediate