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*Information Systems
Audit and Control
Association*

DATABYTE

NEWSLETTER OF THE DETROIT AREA CHAPTER

VOLUME 17, #5

REGION 2, CHAPTER 8

JANUARY, 2003

Monthly Meeting
Thursday, January 9, 2003

Pre-Dinner Topic: "Health Care Fraud"

After-Dinner Topic: "The Privacy Act - Government vs Private"

Location: Troy Marriott
200 West Big Beaver Road, Troy, Michigan
Just east of I-75. Use Big Beaver Exit East.
Refer to internet for map.

Date: Thursday, January 9, 2003
This is a joint meeting with the Association of Certified Fraud Examiners.

Time: 4:30-5:00 Registration/Networking
5:00-6:00 Pre-Dinner Presentation
6:00-7:00 Dinner
7:00-8:00 After-Dinner Presentation

Cost: \$30.00 Members
\$35.00 Others
\$20.00 Students and Retirees

Reservations will be taken by John Hoppesch. If possible, please make reservations by 4:00 pm Friday, January 3, 2003. You can make your reservation online at isaca-det.org or e-mail your reservation to John Hoppesch at jhoppesch@yahoo.com. If you do not have access to the Internet, call John Hoppesch at 248-672-4076. Please include your name, company, telephone number, and whether you are a Member, Non-member, Student or Retiree. Walk-ins are welcome, but the food selection may be limited.

Visit our web site at: isaca-det.org

Letter from the President

Dear Members,

Welcome back. I hope that everyone had a wonderful holiday. For those of you that had the opportunity to join us for the December meeting, I hope you enjoyed the informative presentations. We had some excellent topics and presenters. I would like to thank Ms. Larson from Comerica and Mr. Wendland for their wonderful and informative presentations. Both presentations are available on our website at www.isaca-det.org.

This month we will be having a joint meeting with the Association of Certified Fraud Examiners. Please note that the meeting will be on the Thursday the second week of January and will be held at Troy Marriott. The topics for our dinner meeting, "Health Care Fraud" and a "The Privacy Act - Government vs Private". I hope to see all of you at the meeting. As a reminder, you can register through our website by selecting "Register for Next Meeting" from the home page.

As promised in the first issue, I would like to take a moment to give you some background on one of our committees. This month I would like to focus on the Seminars committee. The chairperson for this committee is Karine Wegrzynowicz. She and many other committee members from both ISACA and the IIA are working hard to prepare an informative Spring Conference at an affordable price. This is a way for all of us to obtain the training that we need while attempting to control costs.

The committee is responsible for:

- Planning and presenting a seminar or workshop program on topics of audit-oriented subjects and current interests.
- Coordinating with the IIA on the joint seminar that will benefit both organizations.
- Maintaining, promoting and marketing seminar programs with ISACA International, on our website and in our newsletter.

If you would like to become involved with the Seminars committee, either now or in the future, I encourage you to contact Karine or myself for further information. Also, the tracks for our March 24-26th Spring Seminar are included within this newsletter.

As always, the board is here to serve the membership, if you have any suggestions on how to improve any of the

programs that we offer or to provide a new program, please contact Mike Stolarczyk, myself, or any of the board members listed on the front page of this newsletter. We would be happy to help and look forward to hearing from you.

Carrie Schrader
Chapter President

ISACA announces the 2003 Certified Information Systems Auditor Examination on June 14th 2003.

The only globally recognized certification program for information systems audit, control and security professionals announces its next examination. For the 22nd consecutive year ISACA will administer the Certified Information Systems Auditor (CISA) Examination. The 2003 CISA Examination will be conducted on Saturday, June 14, 2003, and will be offered at more than 180 international test centers in 58 countries. The exam, composed of 200 multiple choice questions, will be held in one four-hour session. The 2003 CISA Examination will be offered in ten languages.

The exam covers the following process and content areas: 1) The IS Audit Process; 2) Management, Planning and Organization of IS; 3) Technical Infrastructure and Operational Practices; 4) Protection of Information Assets; 5) Disaster Recovery and Business Continuity; 6) Business Application System Development, Acquisition, Implementation and Maintenance; 7) Business Process Evaluation and Risk Management.

This international certification program grants the title of Certified Information Systems Auditor (CISA) to candidates who achieve a passing score on the examination and demonstrate five or more years experience in the information systems auditing, security, or control professions.

The CISA designation is widely recognized as a professional standard of excellence. More than 23,000 specialists in Information Systems Auditing Security and Control have earned the designation worldwide.

A Candidates Guide to the CISA Examination, the 2003 CISA Review Technical Information Manual, the 2003
(continued on page 3)

(continued from page 2)

CISA Review Questions, Answers and Explanations Manual, the CISA Review Questions, Answers and Explanations 2003 Supplement and the CISA Review Questions, Answers and Explanations CD_ROM are available from ISACA to help candidates prepare for the exam. Detailed information can be obtained from ISACA by phone at 1.847.253.1545, Certification Department, by fax at 1.847.253.1443, or by e-mail at certification@isaca.org.

The Detroit Chapter will once again offer a CISA Examination Review Course. Please watch future issues of the Databyte and website, www.isaca-det.org for further details.

GAIN WORLDWIDE RECOGNITION WITH CISA

The mark of excellence for a professional certification program is the value and recognition it bestows on the individual who achieves it. Since 1978, the Certified Information Systems Auditor (CISA) program, sponsored by the Information Systems Audit and Control Association (ISACA) has been globally accepted standard among information systems (IS) audit, control and security professionals.

In April, the chapter will be offering a free review course for those individuals who are sitting for the CISA exam this year. For more information, please contact David Thompson at dthompsn@BCBSM.com or any Board member.

CISM, the Certified Information Security Manager is ISACA's new certification and is specifically geared toward experienced information security professionals. CISM is business-oriented and focused on information risk management while addressing management, design and technical security issues at the conceptual level. It is for the individual who must maintain a view of the "big picture" by managing, designing, overseeing and assessing an enterprise's information security. The Detroit Chapter ISACA board will bring you more information as it becomes available; however, you may access the ISACA International website at www.isaca.org/cert1.htm for the information that is currently available.

“Health Care Fraud, It’s Identification and Prosecution”

Patrick Wallis

Patrick Wallis is employed in the Blue Cross Blue Shield of Michigan Financial Investigations department for 17 years. He has been the Manager of the Special Case team for the past 12 years, working on surveillance, undercover operations and In charge of internal investigations. Prior to coming to BCBSM he was Detective Sergeant with the Michigan State Police for 11 years.

The presentation will cover how the Blue Cross Blue Shield of Michigan Corporate Financial Investigations Department investigates cases and the types of cases they look into. The applicable state laws will be discussed as well as how HIPPA affects their work.

“The Privacy Act – Government vs Private”

Harry M. Megerian

Mr. Megerian has been a special with the Criminal Investigation Division (CID) for about 28 years, of which 17 years, he has served as a Manager in the Division and the last 3 or so as a Computer Forensic Specialist. During his tenure, he has been Resident Agent-in-Charge of the Oakland/Macomb County Offices, as well as the Genessee/Saginaw County Offices. He has also served as the manager of the Narcotic Program for almost six years. Since approximately 1990, he has been involved with computers for the Division, being responsible for networking/connectivity of the entire State of Michigan to the CI LAN System.

Mr. Megerian's tenure during the last two and a half years as a Computer Investigative Specialist) CIS has involved him in numerous warrants of electronic data, involving stand-alones, as well as large corporate networks for analysis. During the past year and a half, he has been responsible for an Enron type case involving several networks and the electronic evidence associated with millions of dollars in evaded taxes.

His presentation will cover the importance of properly acquiring digital evidence for use in Due Diligence Audits.

DETROIT CHAPTER MEMBERS!

Enter to win one of four
Seminar Reimbursement Certificates Valued Up to \$500!

At each monthly meeting you attend through April,
submit an entry to win!
The drawing will be held at the
April 2003 meeting.

Contest Rules

- **Entries:** To enter, submit your name, company, telephone number and email address on the official dated entry forms, located at the registration table at each monthly meeting.
- **Eligibility:** The contest is open only to current Detroit Area Chapter ISACA members (must be a member at the time of entry submission and at the time of drawing). Chapter Directors and non-members are not eligible to participate. The Chapter can only accept those entries that are completed on the official dated entry forms and submitted at the respective monthly meeting. Members may only submit one entry per meeting attended.
- **Contest Period:** The contest will begin at the meeting on November 20th, 2002 and will end at the meeting on April 16th, 2003. All entries must be received during the Contest Period to be eligible to win.
- **Prize:** Four (4) prize winners will each receive a Seminar Reimbursement Certificate valued up to \$500 for reimbursement of any 2003-2004 ISACA International sponsored conference or Detroit Area Chapter sponsored seminar. A Seminar Reimbursement Certificate may only be applied towards the conference/seminar fee portion of the Member's related expenses. Proof of conference or seminar payment and attendance must be submitted at the time of certificate redemption to receive reimbursement from the Chapter. Seminar Reimbursement Certificate expires December 31, 2004.
- **Winner Selection:** The prize winners will be selected at random from all eligible entries received during the Contest Period. Eligible participants may only win one certificate. Certificates are non-transferable. Participants need not be present to win. The drawing will be held at the April Chapter meeting.

Questions regarding contest rules may be directed to Brenda Karl, Membership Director, or one of the Board Officers.

Start Planning for the Joint IIA-ISACA 2003 Spring Conference

TRACK	SESSION	COMPANY	# OF DAYS	DATE
1	<i>Fraud: Prevention, Detection and Prosecution</i>	<i>Canaudit</i>	1	24th/25th
	<i>Integrated Auditing of Financial Applications Workshop</i>	<i>Canaudit</i>	2	26th
2	<i>Control & Security of Wireless Networks</i>	<i>Canaudit</i>	1	24th
	<i>Control & Security of Oracle</i>	<i>Canaudit</i>	1	25th
	<i>Control & Security of Peoplesoft</i>	<i>Canaudit</i>	1	26th
3	<i>Governance Topics (HIPAA, GLB, SO, etc.)</i>	<i>E & Y Partner</i>	1	24th
	<i>Disaster Recovery</i>	<i>Dreamcatcher</i>	1	25th
	<i>Business Continuity</i>	<i>Dreamcatcher</i>	1	26th
4	<i>Control & Security of Firewalls and Intrusion Detection</i>	<i>Canaudit</i>	1	24th/25th
	<i>Control & Security of Web Applications</i>	<i>Canaudit</i>	2	26th
5	<i>Consulting Excellence</i>	<i>Jefferson Wells</i>	1	24th/25th
	<i>Risk Assessment</i>	<i>Jefferson Wells</i>	2	26th
6	<i>Data Analysis based on Benford's Law</i>	<i>Mark Nigrini</i>	2	24th/25th
	<i>Advanced Data Analysis using MS Access</i>	<i>Mark Nigrini</i>	1	26th

Forensic skill needed to bring hackers to justice

Madeline Bennett, IT Week [18-11-2002]

Most firms have strategies to prevent their systems being attacked, but they should also develop policies on what to do in the event of a security breach to preserve evidence and prosecute the culprits, according to experts.

The need for successful prosecutions to deter attacks is growing, say many security experts. The increasing threat is shown by the fact that for the first nine months of this year, almost 75,000 security breaches were reported to the security service Cert. This compares with about 52,000 for the whole of 2001 and fewer than 22,000 during 2000.

Laws are widely believed to lag behind advances in technology, but some firms do not report crimes because they lack usable evidence, thus making the job of the police all the more difficult. This is where good policies and digital forensics can help.

Preserving evidence

Security specialist @Stake has said many firms are not adequately prepared to deal with the aftermath of attacks. In many instances, firms believe they must choose between quickly getting systems up and running again or preserving digital evidence of attacks.

But firms can take steps to do both. Phil Huggins, @Stake's managing security architect, said the problem is that businesses are often unaware of what to do in the event of a breach, and this results in evidence being inadvertently deleted.

"Without adequate incident response, the investigation stage cannot take place," he said. "Or systems are put back in such a way that the digital forensic stage won't provide enough information to get to the root of the problem. The correct steps have to be taken so that the evidence is preserved. The more prepared an

organization is for an incident, the faster it can respond."

Companies therefore need to develop better strategies for dealing with attacks, in addition to their business continuity plans. These strategies should include steps to preserve evidence, and should stipulate the data that should be recorded before, during and after each attack to ensure a thorough investigation.

Incident detection

Implementing an intrusion detection system, a backup system and ensuring that system administrators are adequately trained in incident detection and response should be priorities for companies. Companies should also record data from compromised systems as soon as a breach is detected, and before the system goes live again. If preserved in the correct way, the data can then be analyzed by forensic investigators and would be admissible as evidence in court.

It is vital that firms are aware of the correct procedures for gathering data after an attack, because their evidence might otherwise be worthless, according to computer forensics company Kroll Ontrack. "If your IT staff have had no training on this, they could make a horrible mistake or obtain the evidence in such a way that it would not be admissible," warned Todd Johnson, Kroll Ontrack's general manager.

Johnson added that evidence collection is an equally important skill for IT workers to have in instances of mergers and acquisitions, or for internal investigations of Internet misuse. But he warned that companies and their IT departments must ensure that any evidence discovery or data recording complies with laws such as the Human Rights Act and the Data Protection Act.

Kroll Ontrack plans to launch a guide for companies in January, outlining actions that may be taken. "In some circumstances you can go through all personal employee data, in others you cannot," explained Johnson. "The guide will tell firms what they can and can't do."

The Year At A Glance

January 9, 2003 (CFE)	Health Care Fraud	The Privacy Act - Government vs Private
February 19, 2003	CISA/CISM Roundtable	Virus Protection
March 19, 2003	Distributed Change Control	Controlling the Wireless Network
April 16, 2003	Risk Analysis/Audit Planning	Single Sign-on Solution
May 21, 2003	Auditing Windows 2000	E-Business System Development

**The 4th Annual Spring Conference dates for 2003 have been set. They are March 24, 25 and 26, 2003.
(Co-sponsored by the Detroit Chapter of the IIA and Detroit Area Chapter of ISACA)**

Menu - January 9, 2003

Little Italy Dinner Buffet:
Rolls and butter
Minestrone Soup
Classic Caesar Salad
Chilled Pasta Salad
Antipasto Display
Chicken Penne Tuscany
Ditale Pasta with Italian Sausage, Braised Fennel and Asiago Cheese
Chef's Selection of Seasonal Vegetables
Italian & Focaccia Breads with butter and Olive Oil
DESSERT: TIRAMISU & CANNOLIS
Coffee, specialty Tea and Ice Tea
Vegetarian Plate Available



The Chapter must provide the number of reservations by the Monday before the meeting. To ensure that we can accommodate those who wish to attend and the restaurant can provide the best service possible, please make your reservations early. If you have made a reservation and cannot attend, please call John Hoppesch at (248) 672-4076. Your cooperation is greatly appreciated.

Monthly Drawing Winners!!

Tony Knochel
Joe Motz
Duane Barkowski
Tony Smith

DATA BYTE

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