

## PRESIDENT'S MESSAGE



Lance Turcato  
President

Welcome to the 1998/1999 year of *ISACA – San Francisco Chapter*. The current officers and directors of the Chapter Board were officially sworn in at our annual meeting on July 18, 1998 (bios for each of the Board members are included in this newsletter). Over the past several months, I have been busy working with the Board to define the 1998/1999 goals and objectives for the Chapter. We have come up with an exciting annual plan and have identified numerous strategies for meeting our goals! Our primary goals are summarized as follows:

- Significantly enhance our continuing education program and offerings.
- Significantly enhance the methods for communicating with our Chapter members.
- Increase the participation of current Chapter members in Chapter activities.
- Recruit new members to the Chapter.
- Become a role-model for other Chapters worldwide.

To meet these goals, I have recruited numerous talented individuals who have agreed to volunteer their time to participate on a Board committee and to assist the Board in meeting our goals. These individuals have already contributed a lot to the Chapter and the year has only just begun!

You will notice several changes as the year progresses. First of all, this year promises a new look for our Chapter publications. We have decided to produce our newsletter (*Local Area Network*) on a quarterly basis with a new look and feel and an increased focus on the value of content.

We have also introduced a *Monthly Bulletin* as a means of keeping you informed of upcoming Chapter events and activities. Let us know what you think of these new and improved Chapter publications.

You will also notice significant changes in our educational offerings. This year, we are producing the first annual Education Catalogue for the Chapter. This Catalogue provides an overview of all luncheon presentations and afternoon seminars that have been planned for the year (over 30 sessions and 80 CPEs). The Catalogue will allow you to consider our educational offerings when planning for your individual educational needs. Furthermore, through our newly introduced *Saver Pass Program*, we are offering you the opportunity to purchase multiple sessions at discounted rates. Refer to our Web site for more information regarding our educational offerings. We have several exciting sessions planned for the year!

To ensure a level of consistency in our education program and Chapter publications, the Board has established quarterly themes for 1998/1999:

4<sup>th</sup> Quarter, 1998  
Electronic Commerce  
and Internet Technologies

1<sup>st</sup> Quarter, 1999  
Technology Hot Topics and Trends

2<sup>nd</sup> Quarter, 1999  
Enterprise Security and Controls

3<sup>rd</sup> Quarter, 1999  
Network Security and Controls

4<sup>th</sup> Quarter, 1999  
Database and Application Security  
and Controls

The Board of Directors  
would like to thank



for sponsoring our  
fourth quarter 1998

## PRESIDENT'S MESSAGE – continued

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These themes will provide a consistent focus for our luncheon presentations, seminars, monthly bulletins, and quarterly newsletters.

As you can imagine, changing the appearance of our Newsletter, adding a *Monthly Bulletin*, providing our members with an Education Catalogue, and completing all the other necessary tasks to meet our goals will require increased expenditures. Rather than pass these costs onto our members, with the approval of the Board, I introduced the Quarterly Corporate Sponsorship Program. This program allows corporations and consulting firms to sponsor our Chapter activities. In return, the Chapter is providing each of our sponsors with opportunities to promote their services and offerings through participation in our education programs and through marketing opportunities available with our Chapter publications and Web site.

Now that you have an understanding of the Chapter goals and direction for the next year, let's focus on what's happening during 4<sup>th</sup> Quarter, 1998. On behalf of the Board, I would like to thank the Internal Audit Department of Charles Schwab & Co., Inc. for sponsoring this quarter (refer to their ad in this newsletter). Charles Schwab is an ideal sponsor for this quarter given our theme of "Electronic Commerce and Internet Technologies". We have several informative sessions planned for this quarter. An overview of those offerings is presented below.

Before closing, on behalf of the entire Board, I would like to thank a couple of individuals for their support of the Chapter. First, I would like to thank Kathy Dodds of PricewaterhouseCoopers (PwC) for her support of the Chapter over the years. Kathy has always been there to lend a helping hand to help coordinate Chapter activities. Kathy was instrumental in initiating the PwC sponsorship of our Monthly Bulletin. Thanks Kathy! I would also like to thank Richard Tuck for his support of the Chapter. Richard has provided support to the Chapter in several capacities in the past: President, Newsletter Editor, and CISA Instructor. Most recently, Richard allowed the Chapter to hold our annual meeting at his office facilities. Richard is also assisting us with the development of a full-day seminar on IS auditing and related career considerations. Finally, I personally would like to thank all of the board and committee members for their efforts in helping to make our goals a reality. The year has only just begun and we are off to a great start!



Lance M. Turcato, CPA, CISA  
President

## EDUCATIONAL OFFERINGS

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Todd Weinman  
Committee Chairperson

October 20, 1998

**Luncheon presentation**

**11:30AM – 2:00PM**

An Analysis of the Risks Associated with Electronic/Digital Commerce Utilizing the Internet

**Afternoon seminar**

**2:00PM – 6:00PM**

Auditing Web and Firewall Technologies for Electronic Commerce Web Sites

November 17, 1998

**Luncheon presentation**

**11:30AM – 2:00PM**

Auditing the Development of Web-based Applications

**Afternoon seminar**

**2:00PM – 6:00PM**

Web Site Design and Development

December 15, 1998

**Luncheon presentation**

**11:30AM – 2:00PM**

Internet Resources for IS Auditors and Security Professionals

**Afternoon seminar**

**2:00PM – 6:00PM**

Audit, Control, and Security of Java

Please visit us on the Web at [www.sfisaca.org](http://www.sfisaca.org) for more information regarding each of these sessions. Don't forget – you can register for all of our education sessions via our Web site.

### Saver Pass Program

The Board would like to encourage each of you to take advantage of our *Saver Pass Program*. This program provides significant savings for the advanced purchase of multiple education sessions. Your employer will like this program because the discount passes may be shared among employees (membership requirements still apply). Refer to our *1998/1999 Education Catalogue* or our Web site for more details regarding this program.

# THE WORLD WIDE WEB

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## Electronic Commerce and Internet Security-Related Web sites

W3C – World Wide Web Consortium  
<http://www.w3.org/>

The W3C was founded in October 1994 to lead the World Wide Web to its full potential by developing common protocols that promote its evolution and ensure its interoperability.

World Wide Web Security FAQ  
<http://www.w3.org/Security/faq/>

An excellent place to start your research on Web security!

EC/EDI Information Center  
<http://www.edi-info-center.com/>

A great site for keeping informed of current trends in electronic commerce and EDI. This site contains numerous links to other very informative sites.

Commerce On The Internet (credit card payment applications over the Internet)  
<http://home.netscape.com/newsref/std/credit.html>

This Web-based document describes the Internet as a platform for credit card services and proposes a protocol for secure credit card transactions.

Microsoft Electronic Commerce Whitepaper  
<http://www.microsoft.com/technet/topics/eCommerce/default.htm>

Looking to conduct commerce on the Web? The eCommerce section of Microsoft's ITHome provides you with whitepapers on Microsoft's eCommerce strategy, security and more.

IBM E-Commerce Solutions  
<http://www.software.ibm.com/>

The site covering IBM's electronic commerce initiatives and solutions.

Computerworld: Emmerce  
<http://www.computerworld.com/home/Emmerce.nsf/All/index>

An on-line magazine that explores the emerging electronic commerce field. The mission is to probe the pivotal technologies and prevailing business opportunities and challenges that enshroud the nascent digital economy.

Electronic Commerce Resource Center  
<http://www.ecrc.ctc.com/>

ECRC serves as a catalyst for a vast network of small- and medium-sized enterprises to adopt electronic commerce. These enterprises use advanced electronic commerce technologies to provide the Department of Defense and the other federal organizations with low-cost, high-quality products, goods, and services.

## ISACA International

Web site  
[www.isaca.org](http://www.isaca.org)

Voice  
(847) 253-1545

Fax  
(847) 253-1443

E-Mail  
[membership@isaca.org](mailto:membership@isaca.org)  
[certification@isaca.org](mailto:certification@isaca.org)  
[education@isaca.org](mailto:education@isaca.org)  
[bookstore@isaca.org](mailto:bookstore@isaca.org)  
[conference@isaca.org](mailto:conference@isaca.org)  
[research@isaca.org](mailto:research@isaca.org)  
[marketing@isaca.org](mailto:marketing@isaca.org)

### Your E-mail address

If you have not sent your current E-mail address to ISACA International, then please send your address to [hlmsa@aol.com](mailto:hlmsa@aol.com) to ensure you receive important information electronically.

You may also access our Web site at [www.sfisaca.org](http://www.sfisaca.org) to update your contact information.

# INFORMATION PRIVACY

by Jay Bolton and Alex Ciurzek  
PricewaterhouseCoopers

There is a significant amount of information available regarding online privacy. The following URLs and publications will provide a solid starting point for gaining an appreciation for privacy issues:

*Privacy & American Business*  
published by Alan Westin and the  
Center for Social & Legal Research  
Two University Plaza, Suite 414  
Hackensack, NJ 07061  
(201) 996-1154

*Privacy Laws & Business Newsletter*  
published by Stewart Dresner  
Privacy Laws & Business  
Roxreth House, Shaftesbury Avenue  
Harrow, Middlesex, HA2 0PZ  
United Kingdom  
011+(44) 181 423 1300

*Privacy Journal*  
published by Robert Ellis Smith  
P.O. Box 28577  
Providence, RI 02908  
(401) 274-7861

*Privacy Times*  
published by Evan Hendricks  
P.O. Box 21501  
Washington, DC 20009  
(202) 829-3660

The Legal Advisory Board  
of the European Commission has  
information about their directives at:  
[http://www2.echo.lu/legal/en/  
dataprot/dataprot.html](http://www2.echo.lu/legal/en/dataprot/dataprot.html)

Information about the FTC and their  
role in privacy can be found at  
<http://www.ftc.gov>

Significant resources for privacy are  
provided by TRUSTe at their  
Web site: <http://www.truste.org>

## Introduction

Information privacy is becoming an important topic for organizations today. This is due in part to the explosive growth in personal information that is maintained by organizations. The ability to capture and accumulate private information has been fueled in no small part by the rapid growth in computing power and the Internet. This has not escaped the notice of regulators, who are already beginning to craft legislation that may have profound implications on the way businesses collect, manage and protect information. As with many new trends, it may very well be Internal Audit's responsibility to educate management about the risks that may occur if private information is not protected.

What exactly is private information? This is a very good question and like most questions of this type, not subject to a concrete, one size fits all, answer. Private information can be collected from employees, customers, and vendors. Some businesses define themselves by the depth of the information that they collect and use, such as credit reporting agencies or market research organizations. It is clear that these organizations may be expected to have stronger controls to prevent unauthorized access or modification to private data. However, almost every organization today maintains some information that may be considered private and which may cause regulatory or legal penalties if not adequately protected.

Organizations that conduct business internationally need to consider foreign laws that are often more stringent than our own. The most notable example may be the European Union Data Protection Directive, which is scheduled to take effect on October 24, 1998. This directive requires strict privacy standards for all companies that do business within the European Union.

This includes of course not only companies based within the EU, but also any global firms which perform some piece of their business within EU jurisdiction. Companies that fit this profile are required to manage personal information within broad privacy guidelines.

Users also are granted the specific rights to their data, including the ability to access collected data, correct, erase or block the information collected and object to the use of the data. Since judicial remedies are granted for failure to comply with this directive, organizations need to be aware of the existence and scope of these rules.

The European Union is certainly not the only governmental body that is dealing with privacy issues. Within the United States, the Federal Trade Commission (FTC) has taken the lead in researching and documenting World Wide Web (WWW) privacy practices and concerns. On June 4, 1998, the FTC released a report faulting a large proportion of WWW sites for failing to improve their privacy protections in the year since the Clinton administration called for self-regulation of the Internet, rather than enforced governmental regulation.

As a result of this survey, the Commerce Department announced a self-regulation program titled "Elements of Effective Self Regulation for the Protection of Privacy and Questions Related to Online Privacy". This program suggests that organizations should voluntarily address privacy concerns. To date, the Government has been reluctant to take a legislative approach to this issue. However, there is a clear message that if self-regulation is not effective, the Government will take action. Also, while the target of these guidelines are focused on Internet sites today, there is a growing awareness of other areas where private user information can be collected and stored.

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### Getting organized – privacy risk assessment

The first thing that organizations should do is conduct an inventory of information that may have privacy implications if disclosed. This should be a business risk assessment that focuses on broad categories of data, where possible. Areas that should be considered include: employee information, consumer purchase information, information maintained by the organization's WWW site and consumer credit information. This list is by no means exclusive and will vary based on the organization. There are references provided in this article that can be very useful in determining what information may be considered private. However, common sense will often dictate the answer as well.

### Privacy policies

The next step is to assess the extent to which policies provide privacy protection of data that may be privacy sensitive. As with most aspects of organization management and control, there must be an effective tone at the top for privacy protections to be effective. The first indication of this is often the formal policies, procedures and practices that exist as part of the organization's culture. If a privacy policy does not exist and there are significant amounts of information that may be considered to be private, an obvious recommendation would be to develop a policy.

For a good review of the elements that should exist as part of a privacy statement, consider the guidelines posted by TRUSTe, an organization committed to protecting the privacy of online information. Their WWW site is located at <http://www.truste.org>. It has a valuable collection of privacy information, including a "Privacy Statement Wizard" that provides a set of questions for an organization to answer about how personal and other data is used and maintained on a Web site.

Once these questions are answered, an appropriate privacy policy is automatically generated. Along with this automated route, other sample privacy policies are also provided on this site.

### Protection of private information

Beyond the existence of a policy, organizations need to protect confidential information with suitable care. This includes having appropriate security over information collection and storage. Often times organizations fail to adequately understand the nature and extent of their security weaknesses and may overlook substantial vulnerabilities in their ability to protect confidential information. It is important to understand the security and controls that exist over data that may be considered private. This includes logical controls at the operating system, database and application level, physical controls and controls over backup copies of the information.

While systems may have the appearance of security, there may be ways to circumvent security and gain access to the private data. An example of this might be a human resource system that has an application level control that restricts access to private information to HR supervisors. However, there may be a weakness in the underlying operating system configuration that could allow someone to get access to the information over the internal network with tools that bypass the ability of the application system to provide protection. In these cases, it is important that the security framework consider security at the operating system, database, network and application level.

### Develop a protection plan

Once the initial review has been performed, there will likely be a number of open issues and areas for improvement. This is an area that Internal Audit can be actively involved with to help ensure that progress is being made. Also, as new applications are being developed, involvement by Internal Audit can help ensure that future systems develop the controls necessary up front to protect privacy. This can be a significant value to limiting potential privacy issues in the future.

### Conclusions

Privacy is a topic that is receiving large amounts of attention across the globe, and this will have serious ramifications for companies doing business on any of the continents. However, for those doing business with the European Union and North America specifically, privacy protections should be developed and deployed soon. These privacy measures can help protect a company from risk of individuals contesting the use of their personal information. These practices, in aggregate, may also help influence the governmental bodies as to whether or not strong regulation is required in the privacy arena. While the current thrust of legislative activities is focused on the Internet, this is likely to evolve into a core issue that organizations need to address in other areas as well. For many reasons, an internal auditor should be informed of the privacy issue, aware of his/her company's stance, and proactive in improving the situation as necessary.

If you would like to submit an article for inclusion in a future newsletter, then please contact our Newsletter Coordinator, Shirley Thomas, at [shirleythomas@dtus.com](mailto:shirleythomas@dtus.com)

## MEMBERSHIP



Hector Massa  
Committee Chairperson

The membership count for the San Francisco Chapter as of September 1, 1998, stands at 325 members.

Please join me and the SF ISACA Board in welcoming these new Chapter members.

### May 1998

Eliza L. Corpuz, CGFM  
US Department of Justice

Victor S. De Leon  
San Francisco  
*Reinstated member*

David Hui  
Wells Fargo Bank

Cindy Lin  
Federal Reserve Bank of SF

Willard A. Stark, CIA  
McKesson Corporation

Toshio F. Theis  
Sumitomo Bank of California

Angel L. Thomas, CPA  
Providian Financial

### June 1998

Patrick Heim  
Ernst & Young LLP

Therese A. Stewart  
Bristol Group Inc.

Joseph P. Spampinato  
Longs Drug Stores  
*Reinstated member*

Beth A. Wilbur  
Safeway Inc.  
*Reinstated member*

Keith D. Scott, FCA  
Phillips Electronics  
*Transferred from NY*

### July 1998

Victoria Dubinsky  
Phillips Electronics

Maggie D. Looc  
Providian Financial

Robert C. Toynbee  
The Clorox Company

Oliver L. Wong  
Rooney, Ida Nolt & Ahern

Edward W. Day, CPA  
Belmont, California

Reto Markus Schmid, CISA  
Arsin Corporation  
*Transferred from  
Switzerland Chapter*

### August 1998

Joel Anderson  
Comptroller of the Currency

Joanne L. Bazarian  
Management Recruiters  
International

Glenn C. Fernandes  
AirTouch Communications

Neal M. Grossman, CIA  
Office of Thrift Supervision

Gerald Hui  
Wells Fargo Bank

John J. Kelleher  
AirTouch Communications

Jin Lu  
Deloitte & Touche LLP

Daniel J. Medici  
Comptroller of the Currency

Peter J. Perry  
Wells Fargo Bank

David I. Spektor  
Solectron Corporation

Chi-He James Chiu  
San Francisco  
*Transferred from Austin*

Ashish R. Raghavan  
PricewaterhouseCoopers LLP  
*Transferred from Ohio*

Phil T. Esguerra  
City of Palo Alto  
*Reinstated member*

Sumit Kalra  
Mission Hiring Hall  
*Reinstated member*

John A. O'Malley  
KPMG Peat Marwick LLP  
*Reinstated member*

## Member Milestone

### Deb Frazer

On September 8, Deb Frazer joined KPMG Peat Marwick as a Manager in the firm's Information Risk Management group. Her responsibilities include information systems security and controls consulting and support for KPMG's financial audits. Deb is a CPA and also holds the CISA and CISSP certifications. She makes the move to KPMG from Gap Inc's Consulting and Auditing Services group where she served as Consulting Manager. Prior to working at Gap, Deb held posts in Franklin Resources' Internal Audit and Enterprise Security groups. Before joining Franklin, Deb was a member of legacy Coopers & Lybrand's Business Assurance team. Deb is also an active member of the Chapter's Education Committee. Congratulations on your move Deb!

Keep the Chapter informed of milestones you achieve in your career. Send an overview of your accomplishments and career changes to Shirley Thomas, Newsletter Coordinator (shirleythomas@dtus.com).



Georg Wolf  
Committee Chairperson

Lance Turcato (Chapter President) and Georg Wolf (CISA Coordination Committee Chairperson) led our September Luncheon meeting that was held to honor Chapter members who recently passed the CISA examination. The CISA exam and the associated certification process is respected worldwide. This year 4,333 candidates sat for the exam and 2,350 candidates passed the exam; a passing rate of 55%.

Please join us in congratulating the following Northern California members who passed the CISA exam in 1998:

Franz Riedel	Jennifer Nelsen
Robert Rinauro	Angelin Ng
Jennifer Schupfer	Richard Nguyen
Keith Scott	Crystal Rauschkolb
Stephen Shofner	Charles Bauer
Angel Thomas	Kelly Endow
Aron Thomas	Justin Gibson
Paul Williams	Louis Hirsh
Alan Wong	Gerald Hui
Thomas Kaminek	Mitthu Jain
Jeremy Lapidus	Larry Jewik
James Lim	Sumit Kalra
Dianna McIntosh	Carol Tanner
Kenneth Michaels	Jim Fralin
Edgar Mobley III	

On behalf of the entire Board of Directors, I would like to congratulate all of you!

#### Certification update – CISA Continuing Education Policy

The Certification Board has approved revisions to the qualifying activities of the CISA continuing education policy, which will become effective beginning in 1999. A new policy booklet will be mailed to all CISAs in October 1998.

#### Call for volunteers

Volunteering for the San Francisco Chapter of ISACA gives members the opportunity to enhance leadership skills, network with peers and gain the satisfaction of taking a personal role in building a strong foundation for the Chapter. This is also an opportunity for individuals to share their expertise with others as well as to learn about new areas of interest.

We have several committees for your consideration. Our most active committees are listed below. Refer to our Web site, [www.sfisaca.org](http://www.sfisaca.org), for more information about each committee.

- Membership Committee
- Education Committee
- CISA Coordination Committee
- Academic Relations Committee
- Communications Committee

#### Membership Directory update

We are in the process of updating the Chapter's Membership Directory (to be distributed in January, 1999). To ensure that the information published in the next version is correct, we need your help. If the information published in the 1998 Membership Directory for you is incorrect, we need you to provide us with the required updates. There are three ways that you can provide your updates:

- 1 Preferred method: via our Web site  
[www.sfisaca.org/membership/changeform.htm](http://www.sfisaca.org/membership/changeform.htm)
- 2 E-mail to Hector Massa  
[hlmsa@aol.com](mailto:hlmsa@aol.com)
- 3 Fax to Hector Massa  
925-838-2674

Please be sure to include:

- Name
- Company name
- Certifications
- Mailing address
- Phone numbers
- E-mail address

#### Call to authors

Articles for the *IS Audit & Control Journal* are sought on the impact that the Euro and the Year 2000 conversion will have on European business. Potential authors should submit their articles and opinions to the Associate Publisher of the *Journal* at [jperry@isaca.org](mailto:jperry@isaca.org). Please note that articles for the *Journal* are peer-reviewed and that the process takes about two months.

### Making Tough Career Decisions

Richard Tuck is president and founder of Lander International. Over two decades he has interviewed over 10,000 auditors, spoken at over 250 conferences and had over 100 articles published on career related topics. He is a past president of the San Francisco Chapter of ISACA.

By Richard Tuck, CES, CPC, CIPC

When I am asked for blanket career advice, the best words of wisdom I can come up with for everyone is to live a life in balance. Almost all of us have a variety of value systems that guide us in making decisions and they are often in conflict – how will the decision affect my family, my health, my career, etc? Few people have developed their value systems so carefully that there is not a conflict in values. The best example is the person who wants more demanding work in order to earn quicker career advancement and higher pay but who also wants to spend more quality time with friends and family.

Over the last 20 years the happiest people I have interviewed as job seekers were those who had taken the time to integrate their opposing value systems. Dave Lewis, partner with Deloitte and Touche, is a shining example of how to accomplish this. When he was offered the opportunity to join a Big 8 firm years ago, he weighed and evaluated the option carefully. Because his family was at least equally as important to him as his career, he took his wife and then two young daughters aside and asked for their input in the decision. He explained that if he were to embark on a public accounting career, it would allow the family to have a better house and probably afford more niceties. It would also mean though that the children would not be having dinner with daddy on weeknights and sometimes they would not see him on Saturdays either. As a family unit they then discussed what was most important. Dave explained, “If I did not have the full support of my family, I would not have been successful in my new career, especially in such a demanding environment.” The family made the commitment to share quality time on Sundays and allow Dave to focus on his new career the other six days of the week.

Most analysts agree that the months leading to the new Millennium are presenting college educated professionals with the greatest selection of career options in the century. Certainly in the IS audit field there have never been so many new departments starting up or so many existing departments adding headcount. And this is happening at the same time as all the new technologies are attracting away auditors to become hands-on techies. So much opportunity also means there is an enhanced chance of making poor career choices. I usually advise anyone thinking of making a career change to try to maintain an objective attitude and to analyze options carefully looking at three different criteria. When I interview people who are disappointed with their choices, it is usually when they have not focused on one or more of these three critical criteria:

- 1** When analyzing an opportunity, take a good look at the environment in which you will be working. Does the product line of the company fit your sensibilities? Does the corporate culture mesh with your own belief systems? Are you impressed with the quality of the people you will be working with on a daily basis? Does the commute fit into your lifestyle patterns?
- 2** Even if the environment looks great for you, take a good objective look at the position itself and the department in which you will be working. Will the responsibilities of the position allow you to focus on the skills you most enjoy using? Will the position highlight your abilities in a favorable light? Will there be enough learning curve to the position so that you won't grow stale or disinterested soon?
- 3** And even when the environment and the position both look exciting, don't forget to take into account the long-term future. Where will this opportunity lead in the future? Is there a built-in track record in this organization for people moving out of the current responsibility? If people have moved out, what new responsibilities have they taken on? Will such future responsibilities appeal to you? Whenever possible, take the extra time to talk to people who have been promoted out of the department that is offering you a position. People unhappy with their decisions usually have been so overwhelmed by one or two of these elements that they ignored the other elements that should have been part of their decision.



## ACADEMIC RELATIONS



Edmund Lam  
Committee Chairperson

The Academic Relations Committee recently developed a proposal to establish an Information Technology Audit and Security curriculum at San Francisco State University (SFSU). Using the ISACA International version of the academic curriculum, the committee reviewed the accounting and information technology courses offered at SFSU and mapped those courses to the courses recommended by the IT auditing profession. After a lot of hard work, the committee completed a written proposal that, if approved by the SFSU Academic Curriculum Council, will establish a track that will grant a bachelor degree in IT Auditing. The proposal is currently under review by the Chapter Board of Directors. Following that review, the proposal will be submitted to SFSU.

The committee also recently developed a proposal to establish a scholarship program to award graduating seniors free admission to the Chapter's CISA Review Course. The proposal has been submitted to ISACA-SF Board for further consideration.

The committee also intends to facilitate the establishment of Student Chapters of ISACA at Bay area colleges and universities. We currently have one Chapter established at SFSU. We will keep you posted on the developments.

## STUDENT CHAPTER



Sumit Kalra  
Student Chapter President, SFSU

July marked the second year anniversary of ISACA's presence at San Francisco State University (SFSU) and I can't begin to explain the level of success the Chapter has achieved. Over the past two years we were able to introduce the concept of IS auditing to the students and the faculty and generate an interest among them. Furthermore, last June we convinced the Accounting Department at SFSU to consider adding IS Auditing into their curriculum. The Student Chapter at SFSU extends its thanks to Marcus Jung, Kathleen Arnold and all the past and present board members for making all this possible. The Student Chapter is the product of hard work and dedication by the Board members and the students at SFSU.

The Student Chapter at SFSU is currently coordinating three technical presentations on campus and has established a scholarship program which will begin during the fall semester, 1998. The technical presentations will be posted on the Student Chapter Web page (accessible from [www.sfisaca.org](http://www.sfisaca.org)) along with the guest speaker's bio. We are still in the process of identifying professionals to deliver the presentations, so feel free to send us an E-mail with your name and contact information if you are interested in assisting us.

Finally, I want to wish everyone great success in their careers and extend our thanks to everyone for helping make the SF ISACA Student Chapter at SFSU a great success.

## BOARD MEMBER BIOGRAPHIES



Lance M. Turcato  
President

Lance is a Manager specializing in information systems security at Charles Schwab & Co., Inc. Lance has extensive experience in reviewing internal user and technology controls for businesses in a wide variety of industries. His industry strengths include financial services, banking, construction and engineering, and higher education. Prior to joining Schwab, Lance was a Senior Consultant with Price Waterhouse LLP in the Enterprise Security Solutions group. Lance was also employed with Coopers & Lybrand LLP as a member of the Firm's Resource Protection Practice for a number of years prior to joining Price Waterhouse LLP.

Lance's security specialization focuses on security architectures from the broad perspective of policy and standards formation to the technical aspects of operating system security. Specifically, Lance has assisted in the development of security related policies and has utilized automated tools to evaluate system security configurations for several platforms including mainframe, UNIX, Window NT, Novell NetWare, AS/400 and VAX/VMS. Furthermore, Lance has evaluated security controls over networks, firewalls, and databases and has participated on "tiger teams" performing network penetration studies ("ethical hackers for hire").

Lance has actively served on the SF ISACA Board for a number of years in various capacities including 2<sup>nd</sup> Vice President, CISA Coordination Committee Chair, and Communication Committee Chair. Lance designed and developed the Chapter's current Web site and was instrumental in enhancing the Chapter's CISA Review Course. Lance is a CPA and a CISA. Lance received a B.S. degree in Accounting from the University of Wyoming and a Masters Degree in Information Systems & EDP Audit from Arizona State University.



Carol Hopkins  
1<sup>st</sup> Vice President

Carol is an Internal Systems Auditor for Pacific Bell's Auditing Services Department. Carol has worked on various operational, system and network audits since joining the department. Carol has over 12 years experience in the Information Systems arena. She has a broad spectrum of skills that include experience in all aspects of software development, implementation, maintenance, and software quality control. Before joining Auditing Services, Carol was a software quality assurance analyst. She also participated in independent software quality reviews and facilitated the execution of independent software quality self-assessments. Carol also has held various programming and system management positions. The jobs ranged from artificial intelligence programming in prolog at the Stanford Research Institute International to managing a VAX 11-750 at the Lawrence Livermore National Laboratory.

Carol is a Certified Internal Systems Auditor (CISA) and a Provisional ISO 9000 Auditor. She obtained her undergraduate degree in Computer Science at the University of California, Berkeley.



Hector Massa  
2<sup>nd</sup> Vice President,  
Membership Chair

Hector has over 20 years of progressive experience in Information Technology (IT) audit and control, and IT development and operations. Hector graduated with an MBA from the University of Phoenix and has held titles ranging from Systems Analyst to Corporate Vice President in the banking industry, both within the US and in overseas positions such as Panama and Singapore.

Hector is currently working with the Office of Thrift Supervision, Treasury Department, West Coast office as an Information Systems Specialist Examiner. He has recently worked as an I. S. Control Specialist for Charles Schwab's Integrated Consulting and Audit Department in San Francisco. Prior to joining Schwab, Hector served as Information Technology Specialist with Blue Shield of California in San Francisco. Before that he worked as Vice President in charge of IT audit services for United Overseas Bank in Singapore and in various management positions within the Control Audit Services Division of Bank of America. His experience encompasses managing and auditing of banking departments and computer applications. Hector has a strong background in project management, programming, and technical support including project control, design and development of data processing systems in multi-platform environments. Hector is a Certified Information Systems Auditor.



Lisa Soileau  
Secretary

Lisa is a manager of applications audit at Charles Schwab & Co., Inc. She holds a bachelors degree in Quantitative Business Analysis from Louisiana State University. Prior to joining Schwab, Lisa spent a year in the Information Systems Risk Management group at Price Waterhouse LLP, focusing on the energy industry and SAP implementations. Also, she spent over six years at Exxon as a COBOL programmer, corporate internal auditor and refinery business analyst. This is Lisa's first year on the San Francisco ISACA Chapter's Board of Directors.



**Bill Davidson**  
Treasurer

Bill has served the Chapter in various capacities since 1983, including Director, Secretary, Treasurer, 2<sup>nd</sup> Vice President, and President (1988/89). He has also chaired the Chapter's Membership and Program committees. Bill has been an information systems auditor since 1973, first with Fireman's Fund, and currently with Bay Area Rapid Transit. He is a CISA, having passed the first exam in 1981 with the third highest score.



**Kathleen Arnold**  
Director/Past President

Kathleen is a seasoned Information Systems professional with over 14 years of diversified experience in information systems auditing, information systems security, and computer programming. Kathleen began her audit career at Lucky Stores, Inc., as an EDP Auditor after two years of mainframe programming for the store. Early this year, Kathleen joined the staff of PricewaterhouseCoopers (PwC), and is currently a member of the Oracle auditing team performing information systems audits and assisting with the development of Oracle audit work programs and audit practice aides. Prior to PwC, Kathleen worked as a Security Consultant at Pacific Bell reviewing security risks of new network systems and as an Information Systems Auditor performing MVS, Data Warehouse, and application audits. She also worked as a Senior Internal Auditor for Catellus Development Corporation, where she performed all the mainframe IT technical and application audits. Kathleen has also worked for EDS and Unitek as a programmer analyst.

Kathleen has been member of the SF ISACA Board for over six years, and just completed her term as Chapter President. She earned a B.A. degree in Journalism from San Francisco State and holds a CISA certification.



**Blair Bautista**  
Director

Blair is a Senior Manager for Ernst & Young's (E&Y) Information Systems Assurance and Advisory Services (ISAAS) practice in the Pacific Northwest. Blair is based in San Francisco has been with E&Y since 1996. Prior to E&Y, Blair was previously with Bank of Hawaii in Honolulu, Hawaii and Kaiser Permanente in Oakland. Blair has over 13 years experience in health care, insurance and financial industry experience and currently manages ISAAS engagements for a diverse range of clients in various states including: health care, insurance, bio-tech, technology, and software.

Blair is a graduate of the University of San Francisco and is a CISA and CFE.



**Victor De Leon**  
Director

Victor has served the board for many years working on the programs and seminars committees and as Treasurer. He has a diverse technical background ranging from mainframes to LANs in the financial and manufacturing industry. Victor is currently an independent systems consultant and works with other volunteer organizations.



**Marcus Jung**  
Director/Past President

Marc has been on the internal audit staff at Pacific Stock Exchange in San Francisco for 16 years. He currently is the EDP Audit Manager, responsible for IS audits at both their San Francisco and Los Angeles locations. During that time, he has been an active member of the San Francisco Chapter, and has held various positions in recent years, including SF Chapter President from 1995 to 1997. He led the Chapter as they hosted a record-setting CACS conference in May 1997, and continues to facilitate communication amongst Western ISACA Chapters, through regular meetings of the so-called "Region 1.1" that continue to be held in the West each year.

## BOARD MEMBER BIOGRAPHIES



**Edmund Lam**  
Director, Academic  
Relations Chair

Edmund has more than five years of experience in technology project management and more than 10 years of experience in finance, operation, and information system auditing management. He specializes in operating system audits of Window NT, UNIX, Novell, and telephone system billing. He has presented seminars, including auditing of Year 2000 projects, the integrated audit approach and the Total System Development process, and the integration of Cellular technology with regular voice systems. He is the IT Audit Manager for the University of California – Office of the President, with primary responsibility for auditing platforms and applications critical to the UC system. Previously, he had three years of information systems audit experience in the banking industry. He also managed finance and operation audits and was a project Manager for AT&T. Edmund is an MBA, BSEE, CISA, and PE.



**William Luk**  
Director

William is currently working in the IT auditing group of Wells Fargo Bank. William gained his first exposure to the profession of IS Auditing during a financial audit internship with Coopers & Lybrand during his senior year at San Francisco State University. This internship experience enabled William to realize the prowess of information technology applied to auditing techniques and business processes. To better prepare for foreseeable demand in information technology skills, William expanded his academic study to include Management Information Systems along with Accounting. Prior to joining Wells Fargo, William held various audit positions at Coopers & Lybrand, Farmers Insurance Companies, and Transamerica Corporation to broaden his audit experience from the financial, operational, and systems perspectives. Living in an electronic society updated with ongoing technology changes, William believes that participation in the San Francisco Chapter of ISACA will reinforce his IT skills and enthusiasm in keeping abreast of these changes. William is a CPA and a CISA.



**Todd Weinman**  
Director, Education Chair

Todd is Lander International's Senior Recruiting Specialist for the Northern California region. Before entering the field of Executive Recruitment, Todd worked for several years for a Big 6 public accounting firm. Todd is a graduate of UC Berkeley and he is also a former professional classical musician, having spent four years performing with the Philharmonic Orchestra of Santiago, Chile. As a recruiter, Todd enjoys visiting audit, information security, and consulting departments all over Northern California, and he is in contact on a daily basis with scores of Directors, Managers and staff level professionals from around the region. He strives to extend the role of executive recruiter to be a true career counselor, and he has authored the article "Keeping Your Career on Track." This is Todd's first year on the San Francisco ISACA Chapter's Board of Directors.



**Georg J. Wolf**  
Director, CISA  
Coordination Chair

Georg has systems auditing and consulting experience with several Fortune 500 companies, including Ernst & Young, in Germany. After coming to the U.S.A., he worked in the Internal Audit Department of Pacific Bell as an Information System Auditor. He joined Charles Schwab Inc. in San Francisco as an Audit Technology Manager and is now working as a Web Implementation Release Manager in the area of Electronic Brokerage.

Georg received the majority of his education at the "Fachhochschule Munich" in Germany. He has a Bachelor of Science degree in Business Administration with an emphasis in Information Systems and a Master of Business Administration in International Business Management. Georg is a Certified Information Systems Auditor.



**Sumit Kalra**  
Student Chapter President  
San Francisco State University

Sumit is a senior at San Francisco State University (SFSU) and is a network administrator at KMV Corporation. He is pursuing a dual degree in Business Information Computing Systems and Accounting. While attending school, Sumit worked as a network administrator for various non-profit agencies in San Francisco. Sumit has also been a board member of the Accounting Students Organization for the past three years. This is his second year as the Student Chapter President for the San Francisco ISACA Chapter at SFSU.

## CALENDAR OF UPCOMING EVENTS

Date	Event	Place	Reference
October 20, 1998	ISACA Luncheon Presentation and Afternoon Seminar	San Francisco, California	<a href="http://www.sfisaca.org">www.sfisaca.org</a>
October 21–23, 1998	NetWorld + Interop 98	Atlanta, Georgia	<a href="http://www.interop.com">www.interop.com</a>
October 27–29, 1998	The IIA and MIS Training Institute Annual Conference on Control, Audit and Security of Information Systems	Atlanta, Georgia	<a href="http://www.misti.com/annconf/">www.misti.com/annconf/</a>
November 2–4, 1998	Computer Security Conference and Exposition	Chicago, Illinois	<a href="http://www.gocsi.com">www.gocsi.com</a>
November 2–5, 1998	5 <sup>th</sup> ACM Conference on Computer and Communications Security (CCS)	San Francisco, California	<a href="http://www.bell-labs.com/user/reiter/ccs5/">www.bell-labs.com/user/reiter/ccs5/</a>
November 9–10, 1998	Asia-Pacific CACS '98	Hong Kong	<a href="http://www.isaca.org">www.isaca.org</a>
November 9–13, 1998	IS Audit and Control Week	Chicago, Illinois	<a href="http://www.isaca.org">www.isaca.org</a>
November 16–20, 1998	COMDEX/Fall 98	Las Vegas, Nevada	<a href="http://www.comdex.com">www.comdex.com</a>
November 17, 1998	ISACA Luncheon Presentation and Afternoon Seminar	San Francisco, California	<a href="http://www.sfisaca.org">www.sfisaca.org</a>
December 7–11, 1998	Annual Computer Security Applications Conference	Scottsdale, Arizona	<a href="http://www.acsac.org">www.acsac.org</a>
December 15, 1998	ISACA Luncheon Presentation and Afternoon Seminar	San Francisco, California	<a href="http://www.sfisaca.org">www.sfisaca.org</a>
January 17–21, 1999	8 <sup>th</sup> Annual RSA Data Security Conference and Expo	San Jose, California	<a href="http://www.rsa.com/conf99">www.rsa.com/conf99</a>
January 19, 1999	ISACA Luncheon Presentation and Afternoon Seminar	San Francisco, California	<a href="http://www.sfisaca.org">www.sfisaca.org</a>
March 28-31, 1999	Euro CACS '99	Zurich, Switzerland	<a href="http://www.isaca.org">www.isaca.org</a>
May 2-6, 1999	North America CACS '99	Orlando, Florida	<a href="http://www.isaca.org">www.isaca.org</a>



The 1998-99 ISACA Board Members

*Seated left to right:* Sumit Kalra, Carol Hopkins, Lance Turcato, Lisa Soileau

*Standing left to right:* Edmund Lam, William Luk, Todd Weinman, Georg Wolf, Bill Davidson, Victor DeLeon

*Not pictured:* Hector Massa, Kathleen Arnold, Blair Bautista, Marcus Jung

# www.sfisaca.org

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You will be responsible for monitoring the internal controls of one of Schwab's business enterprises. You will work onsite with the client and will work with management from a Schwab business unit to understand potential operational risks and develop strategies to mitigate those risks. Your team is responsible for providing consulting services and audit coverage to a specific Schwab enterprise, where you will be expected to apply significant technical and financial services or brokerage experience to understand and assess business processes and the underlying technology which supports those processes.

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Please send your resume, indicating Job Code of interest, to: **Charles Schwab & Co., Inc., P.O. Box 7208, San Francisco, CA 94120-7208; email: [schwab.jobs@schwab.com](mailto:schwab.jobs@schwab.com); fax: (415) 627-7316.**

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# SAN FRANCISCO CHAPTER BOARD ROSTER 1998/1999

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### Directors

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