

STATE OF ILLINOIS

INTERNAL AUDIT ADVISORY BOARD

Web Address: [HTTP://SIAAB.AUDITS.UILLINOIS.EDU](http://SIAAB.AUDITS.UILLINOIS.EDU)

MINUTES

Board Meeting, July 13, 2011

1:00 p.m.

CALL TO ORDER

The regularly scheduled meeting of the State Internal Audit Advisory Board (SIAAB) was held at the Capital City Center, Room 104, Springfield, Illinois, with video conferencing available at the JRTC, Room 9-035, Chicago, Illinois. The meeting was called to order at 1:00 p.m. by Lesslie Morgan, Chair.

ROLL CALL

Members Present/Location

Lesslie Morgan (Chair), Office of the Attorney General – Springfield
Steve Kirk, (Vice-Chair) Illinois Department of Transportation– Springfield
Tracy Allen, Office of the Comptroller – Springfield
Nancy Bowyer, Office of the Secretary of State – Chicago
Jane Cullen, Illinois Department on Aging - Springfield
Marcus Dodd, Illinois Department of Employment Security – Chicago
Doug Hathhorn, Illinois Department of Revenue – Springfield
Lisa LaBonte, Illinois Department of Natural Resources – Springfield
Barbara Ringler, Office of the Treasurer - Springfield
Meghann Smith, Illinois Department of Central Management Services – Chicago (Non-Voting Designee)
Spenser Staton, Illinois Department of Central Management Services – Chicago (Joined the meeting at 2:10 p.m.)
Julie Zemaitis, University of Illinois – Springfield

Members Absent

None

MINUTES

The June 15, 2011, meeting minutes were presented to the Board for discussion and approval. A motion was made by Ms. Zemaitis and seconded by Mr. Hathhorn to accept the June 15, 2011 meeting minutes as presented. The motion carried unanimously.

REPORTS AND UPDATES

CPE Coordinator –

Ms. Morgan reported that as of the July 13th meeting, two individuals had successfully completed the 2011 version of the on-line training course. There were no individuals who have registered to take the 2010 version of the course nor were there any new registrants for either course to report. Ms. Morgan reported that the SIAAB's Webmaster has been provided updated listings of current CPE Awarded so that they can be posted on the Board's website.

Ms. Morgan also reported that the Board will need to consider who should be appointed to serve as the CPE Coordinator for calendar year 2012. Action will need to be taken by the Board with sufficient time to finalized the annual renewal of their CPE Sponsors registration with the DPFR by December 31st.

FOIA Officer –

Ms. Ringler reported that there were no FOIA requests received since the last meeting.

Guidance Coordinator –

Mr. Kirk reported that during the past month he sent an informational email out to the State Internal Audit Manager's Group (SIAMG) notifying them of the Guidance Coordinator's role on the Board. Mr. Kirk stated that he had not received any responses to the email. However, in order to send the email out to the Chief Internal Auditors he had to individually add each email address to the notification email because there were no distribution lists available on the SIAAB webpage.

Ms. Zemaitis asked about whether the Board would consider using the U of I's LISTSERV email application that could contain the Chief Internal Auditor's email address and be secured behind the U of I's firewall. Ms. Zemaitis stated that there is a State universities list already in place and she would check to see if the LISTSERV application could also be used by the Board for email distributions.

Proposed Revisions to Open Meetings Act –

Ms. Morgan provided an update on HB 1277, which had been passed by the Senate on May 17, 2011 and was sent to the Governor on June 15, 2011. Ms. Morgan reported that as of the meeting, there had not been any further action taken by the Governor on HB 1277.

OLD BUSINESS

SIAAB 's Records Retention Policy –

The Board discussed both the SIAAB's Record Retention Policy and SIAAB Public Records Management Tool describing its public records. The Illinois Department of Central Management Services has always been considered the lead agency and is responsible for forwarding the Board's records to the State Archival. However, with the development of the SIAAB's Public Records Management Tool as a result of amendments to the FOIA, further review by the Board was necessary. A motion was made by Mr. Kirk and seconded by Mr. Hathhorn to ask Ms. LaBonte and Mr. Staton to further explore whether amendments to the SIAAB's

Record Retention Policy are necessary and report back to the Board at its August 2011 meeting. The motion carried unanimously.

SIAAB's Annual Training Conference –

Ms. Ringler reported that she has continued to work with Ms. Zemaitis and Ms. LaBonte to finalize the SIAAB Fall Conference Agenda. Ms. Ringler reported that the cost of the conference will be \$70 for both September 27th and September 28th. Ms. Ringler stated that an email notice has been sent to all Chief Internal Auditors to “Save the Date.” Ms. Ringler distributed a packet with additional information pertaining to the conference schedule that included many current topics of interest to Chief Internal Auditors and their staff. The Board thanked Ms. Ringler, Ms. Zemaitis and Ms. LaBonte for their work on scheduling the annual event.

Further discussion was tabled until the August 2011 meeting.

Quality Assurance Reviews –

Ms. Morgan reported the status of the external quality assurance reviews received by the Board as of the July 2011 meeting:

- **Northern Illinois University** - Ms. Morgan reported that the Northern Illinois University's SAIV Report (Based on Standards Effective January 1, 2009) was released on June 16, 2011, following the Board's approval on June 15, 2011.
- **Illinois Office of the Secretary of State** - Ms. Morgan presented the Office of the Secretary of State's SAIV review (Based on Standards Effective January 1, 2009) for the Board's discussion and approval for release. A motion was made by Mr. Dodd and seconded by Ms. LaBonte to approve the release of the Office of the Secretary of State's external quality assurance review. The motion carried unanimously.
- **Illinois Teachers Retirement Systems** - Ms. Morgan presented the Illinois Teacher's Retirement System's SAIV review (Based on Standards Effective January 1, 2009) for the Board's discussion and approval for release. A motion was made by Ms. Ringler and seconded by Ms. Zemaitis to approve the release of the Illinois Teacher's Retirement System's external quality assurance review. The motion carried unanimously.
- **Illinois State University** - Ms. Morgan presented the Illinois State University's SAIV review (Based on Standards Effective January 1, 2009) for the Board's discussion and approval for release. A motion was made by Ms. Cullen and seconded by Ms. Zemaitis to approve the release of the Illinois State University's external quality assurance review. The motion carried unanimously.
- **Southern Illinois University** - Ms. Morgan presented the Southern Illinois University's SAIV review (Based on Standards Effective January 1, 2009) for the Board's discussion and approval for release. A motion was made by Mr. Staton and seconded by Ms. Ringler to approve the release of the Southern Illinois University's external quality assurance review. The motion carried unanimously.

Ms. Morgan also reported the following external quality assurance reviews in progress:

- **Chicago State University** - The draft EQA/SAIV Report (Based on Standards Effective January 1, 2009) was received by the Assistant Quality Assurance Coordinator on July 12, 2011 and assigned to a Special Assistant Quality Assurance Coordinator on July 12, 2011.
- **Illinois Office of the Attorney General** - The external quality assurance review (Based on Standards Effective January 1, 2011) is currently in progress and will be forwarded to the Assistant Quality Assurance Coordinator for assignment to a Special Assistant Quality Assurance Coordinator within the next week.
- **Eastern Illinois University** - Request for Team Approval Granted (Based on Standards Effective January 1, 2009) – SAIV In Progress.
- **Governor's State University** - Request for Team Approval Granted (Based on Standards Effective January 1, 2009) – SAIV In Progress.
- **Illinois Student Assistance Commission** - Request for Team Approval (April 2011) is still pending validator's completion of the SIAAB's Quality Assurance Review Training Course.
- **Northeastern Illinois University** - Request for Team Approval Granted (Based on Standards Effective January 1, 2009) – SAIV Delayed for Good Cause.
- **State Employees Retirement System** - Request for Team Approval Granted (Based on Standards Effective January 1, 2009) – SAIV in Progress.
- **State Universities Retirement Systems** - Request for Team Approval Granted (Based on Standards Effective January 1, 2009) – SAIV in Progress.
- **Illinois Office of the Treasurer** - Request for Team Approval Granted (Based on Standards Effective January 1, 2009) – SAIV in Progress.

Ms. Morgan also reported that the following external quality assurance reviews were not completed or initiated:

- **Illinois Office of the Comptroller** - No external quality assurance review has been conducted or initiated since the IIA five-year external quality assurance review requirements became effective in January 1, 2002. Mr. Allen stated that the Office of the Comptroller was aware that an external quality assurance review had not been completed and would conduct such a review in the near future.
- **Illinois Commerce Commission** - Request for Team Approval to be Provided for Board's review and approval during its August 10, 2011 Meeting.
- **Illinois Housing Development Authority** - No Request for Team Approval Received – EQA Completion Due March 8, 2012.
- **Illinois State Board of Education** - No Request for Team Approval Received – EQA Completion Due March 2, 2012.

Ms. Morgan also reported that during the 2006 external quality assurance cycle, the Supreme Court's Chief Internal Auditor advised the Board that based upon the Fiscal Control and Internal Auditing Act, the Supreme Court was not subject to the Board's oversight of the External Quality Assurance process. However, the Supreme Court's Chief Internal Auditor is responsible for conducting an external quality assurance review pursuant to IIA's Standards if they use the IIA's "Conforms with the International Standards for the Professional Practice of Internal Auditing" within their Internal Audit Charter or reports.

Discussion on Implementing PA96-1473 Public Comments –

Ms. Ringler provided a draft language for the Board's consideration for implementing PA96-1473. The Board discussed the purpose of PA96-1473 and the impact that it would have on the Board's meetings. Based upon the discussion, Ms. Ringler was asked to incorporate the recommended changes for further discussion at its next meeting.

Further discussion was tabled until the August 2011 meeting.

NEW BUSINESS

Other Business –

Mr. Staton announced to the Board that the Department of Central Management Systems had established a "Government Audit Group" membership and that Ms. Staci Crane, Illinois Emergency Management Agency has been designated the contact for membership renewals.

ANNOUNCEMENTS

The next regular meeting will be August 10, 2011, at 1:00 p.m., at the Capital City Center's Video Conference Room #104, 130 West Mason, Springfield, Illinois. For those attending via video conference in Chicago, Room 9-035 of the JRTC has been reserved.

ADJOURNMENT

A motion to adjourn the regular meeting was made by Mr. Kirk and seconded by Mr. Dodd. The motion carried unanimously and the meeting was adjourned at 2:48 p.m.