

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting – November 12, 2014

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 9-036, Chicago, Illinois. The meeting was called to order at 1:09 p.m. by Marcus Dodd in Chicago.

ROLL CALL

Members Present/Location:

Marcus Dodd (Chair), Illinois Department of Employment Security - Chicago
Gary Shadid (Vice Chair), Illinois Department of Commerce and Economic Opportunity - Chicago
Derrick Clark, Office of the Attorney General – Springfield (Proxy for H. Jay Wagner)
Stell Mallios, Office of Secretary of State - Chicago
Jack Rakers, Central Management Services – Springfield (Proxy for Debbie Abbott)
Stephen Kirk, Department of Transportation – Springfield
Julie Zemaitis, University of Illinois – Springfield (via telephone)

Members Absent:

Barb Ringler, Office of the Treasurer
Tracy Allen, Office of the Comptroller
Jane Hewitt, Department of Human Services

Visitors Present:

None

PUBLIC COMMENT

None

MINUTES

The minutes from the September 9, 2014, Regular Meeting were presented to the Board for discussion and approval. Board members identified and corrected several errors in the minutes. A motion was made by Mr. Kirk and seconded by Mr. Shadid to accept the October 14th, 2014, minutes as revised. The motion carried unanimously.

REPORTS AND UPDATES

CPE Coordinator

Ms. Zemaitis indicated that four individuals completed the online training course and that one additional individual registered for the course but has not yet completed it.

Quality Assurance Coordinator

Mr. Dodd indicated that there was a question raised regarding the date when a QAR was considered to be completed. The two main points of view that were discussed were whether the QAR is considered to be completed when the SIAAB Board approves the QAR, or is the QAR considered to be completed when the SIAAB Chair issues the letter to accept or decline to accept to the agency head. Another position that was discussed was the date when the Chief Internal Auditor submits the QAR to SIAAB for review.

The reason that this topic is important is because it directly impacts the timing of the requirement that all audit shops have a QAR performed at least once every five years. The discussion of this topic was tabled until the December 9th SIAAB meeting when there are a larger number of Board members present for the discussion.

Mr. Dodd indicated that he followed up with the Chief Internal Auditor from the Illinois Department of Healthcare and Family Services (“HFS”) regarding the open questions related to their QAR Team Request discussed during the October SIAAB Board meeting. The Board discussed the responses and determined that the Chief Internal Auditor addressed the Board’s questions sufficiently.

There was discussion among the Board about whether or not a Chief Internal Auditor is required to complete the QAR Training prior to going through their QAR. The Board determined that this is not a requirement.

Ms. Zemaitis indicated that the independence boxes were not checked on the participant’s forms for the HFS QAR. This was considered to be an administrative oversight. Mr. Shadid made a motion to approve the HFS QAR Team Request subject to the completion of the Independence forms and the lack of disclosed conflicts. Ms. Zemaitis seconded the motion. The motion carried unanimously.

Mr. Dodd indicated that while the Illinois Tollway Authority QAR was properly approved during the October SIAAB meeting, the files were not formally reviewed by a Special Assistant. As such, he reached out to Dan Ryan to serve as the Special Assistant to review the files. No exceptions were noted and the completed Special Assistant QAR checklist was added to the SIAAB files.

Mr. Dodd presented Mr. Mark Kimmet's comments regarding the report template for QAR with External Reviewers. The Board discussed the need to have two separate report templates, one for the QAR with External Reviewers and the other for Self-Assessments with independent validators. Mr. Dodd will create drafts of the report templates and present them during the December SIAAB meeting.

FOIA Officer

Mr. Dodd indicated that there had been no FOIA requests since the last meeting.

Guidance Coordinator

Mr. Kirk indicated there were no updates.

OLD BUSINESS

Financial Reporting Standards Board (FRSB) Draft Internal Audit Guidelines

The Board reiterated that there is no longer a need to have a specific SIAAB representative at future FRSB meetings. This topic will be removed from future agenda unless there is a specific topic to discuss.

Fall Conference Discussion

Mr. Dodd indicated that most of the debrief from the Fall Conference will be conducted during the December SIAAB meeting. The billing and administration should be nearly complete at that time.

Ms. Zemaitis indicated that 67 of 157 surveys had been received to date.

Discussion of August Public Comment Request for SIAAB to Adopt Rules

Ms. Zemaitis indicated that she is currently doing research and historical due diligence to prepare for SIAAB to draft a memo to the Attorney General. Ms. Zemaitis reiterated that she would have draft language for the December meeting.

New Business

Mr. Dodd indicated the Board needs to review and approve minutes from the Fall Conference during the December SIAAB Board meeting, as the Fall Conference constitutes an Open Meeting. Mr. Dodd will present the Fall Conference meeting minutes during the December SIAAB meeting.

Mr. Dodd also indicated that the Board needs to review and approve dates for the calendar year 2015 Board meetings. Mr. Dodd agreed to follow-up on this and present a proposed schedule to the Board during the December SIAAB meeting.

ANNOUNCEMENTS

The next regular meeting is scheduled for December 9, 2014, at 1:00 p.m. The meeting will be at the Capital City Center's Video Conference Room #104, 130 West Mason, Springfield, Illinois. For those attending via video conference in Chicago, Room 9-036 of the JRTC will be reserved.

ADJOURNMENT

A motion to adjourn was made by Mr. Kirk, seconded by Mr. Rakers. Motion carried unanimously. Meeting adjourned at 2:05 p.m.