

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting – November 10, 2015

1:00 p.m.

CALL TO ORDER

A 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 1:02 p.m. by Chair Gary Shadid in Springfield.

ROLL CALL

Members Present/Location:

Gary Shadid, (Chair) Illinois, Department of Agriculture – Springfield
Stephen Kirk, (Vice Chair), Department of Transportation – Springfield
Tracy Allen, Office of the Comptroller - Springfield
Debbie Abbott, Central Management Services – Springfield
Jane Hewitt, Department of Human Services - Springfield
Leighann Manning, Office of the Treasurer – Springfield
H. Jay Wagner, Office of the Attorney General – Springfield

Members Absent:

Stell Mallios, Office of Secretary of State
Julie Zemaitis, University of Illinois

Visitors Present:

Natalie Covello, Department of Commerce and Economic Opportunity – Chicago

MINUTES

The minutes for the October 13, 2015 SIAAB meeting were accepted after minor updates. Ms. Hewitt made a motion to accept as amended, seconded by Mr. Allen. The motion passed unanimously, with Ms. Manning abstaining due to not attending the prior meeting.

PUBLIC PARTICIPATION

Natalie Covello, Chief Internal Auditor for the Department of Commerce and Economic Opportunity, attended from Chicago and had no comment.

REPORTS AND UPDATES

CPE Coordinator

In Ms. Zemaitis' absence, Mr. Shadid gave her report. One internal auditor completed the training, none are pending, and one certification lapsed (10/30/2015) and the individual was notified. The Board's CPE sponsorship has been renewed.

Quality Assurance Coordinator

Mr. Shadid stated there was no QAR activity this month.

FOIA Officer

Ms. Manning stated there were no new requests.

Mr. Shadid recommended formally appointing Ms. Manning as FOIA Officer. Mr. Wagner motioned, seconded by Mr. Allen. Motion passed unanimously.

Record Retention

Ms. Abbott stated that there are boxes of SIAAB records that can be destroyed, pending Records Commission approval. Ms. Abbott further stated that the Commission will either approve or disapprove, so the request must be worded carefully. Mr. Shadid suggested starting the process with the goal of resolving the issue before the next Board convenes in 2016. Ms. Abbott stated she will talk to her point of contact.

Guidance Coordinator

Mr. Wagner stated he has received little feedback on the two exposure drafts recently disseminated (#05 Small Audit Functions, and #06 Pre-Implementation Reviews), with a deadline for feedback of November 20, 2015. He further stated that he plans to integrate all comments into the drafts and provide copies to the Board by November 30, 2015 to give time to review prior to the December 8, 2015 meeting when final action is expected.

OLD BUSINESS

Fall Conference

Mr. Allen stated conference surveys are still outstanding, and will be discussed at the next meeting.

Attendance was down from the prior year. The 2014 conference had 169 registered and 155 attended. This year's conference had 153 registered and 138 attended.

Two individuals attended one day, and Mr. Allen requested waiving half the fee and charging \$45. Mr. Kirk made the motion, Ms. Abbott seconded, and the motion carried unanimously.

Five individuals canceled, three due to work-related reasons and two due to illness. Mr. Allen requested waiving the fees, and Mr. Kirk noted the reasons have been accepted in the past. Mr. Kirk made the motion, Ms. Manning seconded, and the motion carried unanimously.

The conference cost was approximately \$12,368, with an expected loss of \$38 (pending final expense reports for travel). Invoices will be sent out now that all waivers have been approved.

August 2014 Comment Request for SIAAB to Adopt Public Rules

The request is still pending.

NEW BUSINESS

2016 Meeting Schedule

Mr. Shadid presented a meeting schedule for 2016. The Board will continue meeting on the second Tuesday of each month at 104 Capital City Center (Springfield) and 9-036 Thompson Center (Chicago), with two exceptions: January 12, 2016 will be at 500 ½ Stratton Building (Springfield) due to a conflict, and the November 2016 meeting will be on Wednesday November 9, 2016 due to a holiday. Mr. Allen motioned to accept the schedule, Mr. Kirk seconded, and the motion passed unanimously.

Consider Administrative Rules for Chief Internal Auditor Reappointment

The question arose from the Chief Internal Auditor roundtable on October 27, 2015. There was consensus that this is an agency issue that Chief Internal Auditors should discuss with agency management.

Use of 1988 OAG Audit to Determine Staffing Needs

There was consensus that the Chief Internal Auditor should discuss staffing with agency management based on the internal audit function's unique needs.

Discussion with New Auditor General

Possible topics to discuss with the new Auditor General that arose at the Chief Internal Auditor roundtable were discussed.

Updates to the Audit Guide – The Office of the Auditor General updates their audit guide every year. Ms. Hewitt suggested discussing Coordination with the new Auditor General, specifically the possibility of relying on their work, rather than repeating it, to better utilize internal audit resources to address unaudited

risks. Mr. Kirk suggested discussing the dilemma of FCIAA mandates pushing high risk and unaudited areas off the audit schedule.

Difficulties Hiring Qualified Staff – The Office of the Auditor General has the same difficulties in finding and retaining staff. Further, if the Auditor General helped increase headcount among internal auditors, it would likely result in his office losing staff. Ms. Manning noted that the Auditor General’s Office was vocal in asserting the agencies should have auditors (during the consolidation effort).

Mr. Kirk suggested two or three individuals meet with the new Auditor General, with a subsequent invitation to meet with the Board.

ANNOUNCEMENTS

The next regular meeting is scheduled for December 8, 2015, 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 Ms. Abbott, seconded by Mr. Kirk. Motion carried unanimously. Meeting adjourned at 2:18 p.m.