

**STATE OF ILLINOIS**  
**INTERNAL AUDIT ADVISORY BOARD**

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

**MINUTES**

**Board Meeting – April 14, 2015**

**1:00 p.m.**

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**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 1:01 p.m. by 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  
Debbie Abbott, Central Management Services – Springfield  
Tracy Allen, Office of the Comptroller - Springfield  
Angela Bartlett, Office of the Treasurer - Springfield  
Marcus Dodd, Illinois Department of Employment Security - Chicago  
Jane Hewitt, Department of Human Services – Springfield (departed meeting at 2:12 p.m.)  
Stell Mallios, Office of Secretary of State - Chicago  
H. Jay Wagner, Office of the Attorney General – Springfield  
Julie Zemaitis, University of Illinois – Springfield

**Members Absent:**

None

**Visitors Present:**

None

**PUBLIC COMMENT**

None

**MINUTES**

The March 10, 2015 SIAAB Meeting minutes were accepted as revised after minor typographical errors, misspellings and other “housekeeping” adjustments were discussed. Ms. Zemaitis made the motion to accept and Mr. Kirk seconded the motion. The motion passed unanimously.

## **REPORTS AND UPDATES**

### **CPE Coordinator**

Ms. Zemaitis indicated that one individual registered for the online training course and no certificates were issued.

### **Quality Assurance Coordinator**

The SIAAB discussed issues that arose during the Illinois Emergency Management Agency (IEMA) Quality Assurance Review (QAR). The issue of whether it was possible to have Partial Conformance (PC) with the Fiscal Control and Internal Auditing Act (FCIAA) was discussed. Unlike the Standards, which allow for Partial Conformance, FCIAA is a law and one is either in compliance or not in compliance. Ms. Hewitt questioned what gave SIAAB the authority to assess compliance with FCIAA, and Mr. Kirk stated the Board was clarifying the requirement, not deciding compliance. Mr. Dodd asked about any QARs submissions that assert PC with FCIAA, and the consensus was to address those on a case-by-case basis. Mr. Allen made a motion to change the FCIAA options to “complies” or “does not comply,” and add an explanation to the executive summary. Mr. Kirk seconded the motion, and it passed unanimously. Mr. Allen agreed to make the necessary changes to both reports and submit them for approval at the next meeting.

The Capital Development Board (CDB) submitted QAR Team Approval Request documents for approval by SIAAB. Mr. Kirk made a motion to approve, seconded by Ms. Zemaitis. The motion passed unanimously, with the exception of Mr. Allen abstaining due to the independent validator being a direct subordinate of his.

The State Fire Marshall (OSFM) submitted their QAR report and matrix. Ms. Zemaitis pointed out a clerical issue that in the third paragraph of the Executive Summary of the report, where the term *conformance* is used in conjunction with FCIAA and the term *compliance* is used in conjunction with the standards, and the terms should be switched. Mr. Wagner stated he does not believe the switch in the current documentation would mislead anyone in regards to the conclusion. Mr. Kirk motioned to accept the QAR, and Ms. Abbott seconded. The motion passed unanimously. Mr. Allen agreed to add these additional corrections to both the standard reports and submit them for approval at the next meeting.

### **FOIA Officer**

The FOIA Officer position became vacant upon Barb Ringler's resignation. Ms. Abbott, as assistant/backup FOIA Officer, reported no requests. Ms. Bartlett, who became Acting Chief Internal Auditor for the Office of the Treasurer, has control of the FOIA Mailbox. Therefore, there was consensus that, given the limited number of FOIA requests received, it would be prudent to keep the FOIA Officer under the same Office. Mr. Dodd motioned to appoint Ms. Bartlett FOIA Officer, Ms. Hewitt seconded, and the motion passed unanimously.

### **Guidance Coordinator**

Mr. Kirk pointed out some minor typographical issues on Guidance Document #4, and Mr. Allen pointed out the proper wording of the Comptroller's internal control categories on page 2. Mr. Allen made a motion to approve Guidance #4 as amended for the typographical changes, for issuance as final guidance, and Ms. Zemaitis seconded. The motion passed unanimously. Mr. Wagner will have the final version posted to the SIAAB website.

### **OLD BUSINESS**

#### **Fall Conference Discussion**

Mr. Allen discussed the results of a survey sent out to gauge interest and preferences for the Fall Conference. Respondents overwhelmingly preferred two full days to two half days and a full day; however, the survey was not clear as to the preference for having roundtables on a third day. Further, the surveys indicated that the roundtables were the most discussed item in the comments section. Mr. Kirk suggested engaging Chief Internal Auditors, as most would probably prefer an entire half day for roundtables.

Mr. Allen discussed the possibility of having a keynote speaker, and had three suggestions: 1) a representative from the U.S. Comptroller's office; 2) a representative from the Institute of Internal Auditors (IIA) American Center for Government Auditing (ACGA); or 3) Governor Rauner. There was consensus that although it would be interesting to have the Governor speak, having the U.S. Comptroller or IIA Speaker would pertain directly to the Internal Audit function, which is the purpose of the training. Therefore, Mr. Allen was directed to reach out to the U.S. Comptroller or IIA for a keynote speaker based on availability.

#### **August Public Comment Request for SIAAB to Adopt Rules**

Mr. Wagner indicated the request remains in the queue with no expected response timeframe. The Board will continue to wait for a response.

#### **Vote to Approve Two Separate QAR Report Templates after 6/30**

The Board decided to table approving to two report templates, and address the issue in conjunction with updating the matrix for the FCIAA issues (discussed above in conjunction with the IEMA QAR). Mr. Allen motioned, Mr. Kirk seconded. The motion passed unanimously, with two abstentions: Ms. Hewitt who departed the meeting at 2:12 p.m., and Ms. Abbott who left the meeting briefly.

#### **Vote to approve Guidance Document #4**

The vote to approve Guidance Document #4 was addressed in Reports/Updates under Guidance Counselor.

#### **NEW BUSINESS**

##### **Appoint New FOIA Officer**

The appointment of a new FOIA Officer was addressed in Reports/Updates under FOIA Officer.

##### **FOIA Mailbox**

The FOIA Mailbox was addressed in Reports/Updates under FOIA Officer.

##### **CIA status if agency is eliminated**

Mr. Shadid, Mr. Kirk, and Mr. Wagner received inquiries from Marty Paul, Acting Chief Internal Auditor for the State Fire Marshall, regarding the CIA status if an agency is eliminated or if a term expires. SIAAB was under the general understanding that a CIA position would cease to exist if an agency ceased to exist, and would advise a CIA to seek reappointed for a new five year term at the conclusion of the current 5 year term. Ms. Abbott stated she was meeting with the Director of Personnel and would discuss the issue. SIAAB cannot issue a formal opinion on the matter, however.

##### **Community Colleges - FCIAA**

The question arose whether community colleges are subject to FCIAA. Mr. Kirk recalled from experience that the Board of Higher Education was subject to FCIAA, and Community Colleges were not deemed subject to FCIAA based on their source and funding.

#### **ANNOUNCEMENTS**

The next regular meeting is scheduled for May 12, 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 Mr. Kirk, seconded by Ms. Abbott. Motion carried unanimously. Meeting adjourned at 2:39 p.m.