

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting – August 11, 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 1:01 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
Tracy Allen, Office of the Comptroller - Springfield
Nicholas Barnard, Office of the Treasurer – Springfield (Proxy for Angela Bartlett)
Jane Hewitt, Department of Human Services – Springfield (departed meeting at 2:00 p.m.)
Darick Clark, Office of the Attorney General – Springfield (Proxy for H. Jay Wagner)
Debbie Abbott, Central Management Services – Springfield

Members Absent:

Stell Mallios, Office of Secretary of State - Chicago
Julie Zemaitis, University of Illinois – Springfield

Visitors Present:

None

Note: The Board briefly discussed Marcus Dodd not being re-appointed at his position at the Department of Employment Security. Mr. Shadid indicated this change brings the Board total to nine (9) members; therefore, a quorum would be five (5) members for future meetings.

MINUTES

The minutes for the July 14, 2015 SIAAB meeting were accepted after minor updates. Mr. Barnard made a motion to accept, seconded by Mr. Allen. The motion passed unanimously.

PUBLIC PARTICIPATION

None

REPORTS AND UPDATES

CPE Coordinator

Ms. Zemaitis was absent from the meeting so there were no updates.

Quality Assurance Coordinator

Mr. Shadid noted that State Police submitted their QAR and will be discussed in the next meeting.

FOIA Officer

Mr. Barnard stated there were no new requests.

Guidance Coordinator

Mr. Shadid asked if there were any comments relating to draft Guidance 05, small audit shops. Mr. Kirk stated he had some comments he would like to share with Mr. Wagner for updates. Mr. Kirk stated the guidance is good overall but will send his comments to Mr. Wagner. Ms. Abbott and Ms. Hewitt stated they would also like to suggest a few changes in wording before SIAAB disseminates it to Chief Internal Auditors. Mr. Kirk proceeded to ask everyone to read the guidance and provide any review comments to Mr. Wagner.

Since the discussion was currently on new guidance, the Board elected to discuss the proposed SIAAB Guidance #6 Pre-Installation Reviews that is part of "New Business". Ms. Hewitt and Ms. Abbott stated they have a few concerns over the wording in the guidance that deals with information technology expertise in order to conduct pre-installation reviews. Ms. Hewitt and Ms. Abbott stated they believe auditors should have some knowledge and background in information technology to conduct a review that would serve beneficial to the agency. Mr. Kirk agreed, and stated an auditor does not necessarily need to have a certification in the area, but should have an understanding of information technology. Mr. Kirk also stated that the Chief Internal Auditor should have the ability to determine who has the skill set to perform such reviews. Mr. Kirk thought this guidance was positive, but needs a group discussion and more opinion from the Board. The Board discussed this matter and concluded that it would be best to discuss this at a future meeting with Mr. Wagner present.

OLD BUSINESS

Fall Conference

Mr. Allen indicated that Jim Dahlquist from the Auditor General's office has agreed to speak about the Yellow Book internal control and ethics. Mr. Allen asked the board to look over the Fall Conference cost sheet to help determine the price charged per attendee. After a brief discussion on the costs and estimated revenue, the Board determined \$90 was the most appropriate price for the Fall Conference. Based on projections, the \$90 charge per attendee was the nearest amount to a breakeven point. During discussion, the Board was adamant that in the future they would like the Fall Conference charge per attendee to remain at a breakeven point. Mr. Kirk motioned to set the price at \$90 for the Fall Conference and was seconded by Ms. Abbott. Motion carried unanimously.

August 2014 Comment Request for SIAAB to Adopt Public Rules

The Board was notified that the request is still pending.

Change to QAR Matrix Regarding FCIAA Compliance Update

Mr. Allen stated he spoke with the Auditor General's Office regarding whether or not FCIAA should be included in the QAR process. Mr. Allen stated the Auditor General's office said it would not take an official position on the matter but preferred the FCIAA requirement be left in the QAR process. The Board briefly discussed the matter regarding the Auditor General's response but did not take any action on this topic. Ms. Abbott stated the QAR Matrix needs to be looked at and updated for the future. Mr. Kirk agreed and stated the fix should be completed by the fall to ensure agencies have advance notice of the changes.

Origin of SIAAB CPE Requirements

Ms. Zemaitis was absent from the meeting so there were no updates.

NEW BUSINESS

Proposed: SIAAB Guidance #6 Pre-Installation Reviews

The topic arose and was discussed in conjunction with Guidance Document #5 – Small Audit Functions in the Guidance Coordination section.

Record Retention/Disposal

Ms. Abbott contacted the Secretary of State's office in regards to record retention and disposal of audit working files and reports. Ms. Abbott provided a handout to all attendees that was created by the Secretary of State's office for the internal audit division at Central Management Services (CMS). There was a brief group discussion on how long audit documents must be kept before they are destroyed. Ms. Abbott encouraged members to contact the Secretary of States Record Center as she felt they were helpful and easy to work with.

ANNOUNCEMENTS

The next regular meeting is scheduled for September 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 Mr. Kirk, seconded by Mr. Barnard. Motion carried unanimously. Meeting adjourned at 2:11 p.m.