

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting – October 11, 2016

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 1:04 p.m. by chair Stephen Kirk in Springfield.

ROLL CALL

Members Present/Location:

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

Members Absent:

Jane Hewitt, Department of Human Services – Notified chair about a conflict
Julie Zemaitis, University of Illinois – Springfield – notified chair she was unable to attend

Visitors Present:

None.

MINUTES

The minutes for the September 13, 2016 SIAAB meeting were accepted as presented. Mr. Allen made a motion to accept, seconded by Ms. Manning. The motion passed unanimously.

PUBLIC PARTICIPATION

None.

REPORTS AND UPDATES

CPE Coordinator

None.

Quality Assurance Coordinator

Mr. Allen presented the following QAR Report for acceptance:

- State Universities Retirement System – Generally conforms to standards, compliance with FCIAA. Mr. Allen made a motion, seconded by Mr. Wagner. Motion passed unanimously.
- Department of Public Health – Generally conforms to standards, did not conform with FCIAA. Mr. Allen made a motion, seconded by Mr. Shadid. Motion passed unanimously, with abstentions from Mr. Wagner and Ms. Abbott.
- State Employees Retirement System – Generally conforms to standards, did not conform with FCIAA. Mr. Allen made a motion, seconded by Mr. Wagner. Motion passed unanimously, with an abstention from Ms. Abbott.

Mr. Allen noted that the SERS independent reviewer and chief internal auditor reported partial conformance in regards to the Quality Assurance and Improvement Plan, asserting an internal review was not done after the hiring of a new chief. This is not a requirement that supported by the standards.

Mr. Allen presented the following team request for approval:

- Environmental Protection Agency – SAIV, Mr. Darick Clark, Internal Auditor for the Illinois Attorney General. Mr. Allen made the motion to accept, seconded by Ms. Manning. Motion passed unanimously with an abstention from Mr. Wagner.

Mr. Kirk noted that the Team Request form should be updated to request the name and contact information for the current director.

FOIA Officer

Ms. Manning stated there were no new requests.

Ms. Abbott noted she is finalizing record retention issues with Rochelle.

Guidance Coordinator

Mr. Wagner presented a draft of #07 – Access and Disclosure of Engagement Reports, which incorporated all changes agreed upon by the Board last month. Mr. Wagner made a motion to send the draft to chief internal auditors and liaisons for discussion at the CIA roundtable, seconded by Mr. Allen, motion passed unanimously.

Mr. Wagner indicated the IIA released the new standards on October 1, 2016 as planned, and the changes will be effective January 1, 2017. Mr. Wagner will compare the new standards to various SIAAB documents (Guidance, bylaws, etc.) and propose updates as appropriate before the new Standards are effective. The impact is likely to be minor, as most updates do not present major changes; however, direct quotes will have to be updated.

Mr. Wagner stated he will also disseminate the International Internal Audit Standards Board (IIASB) disposition on changes to chief internal auditors and liaisons before the CIA roundtable.

OLD BUSINESS

Financial Reporting Standards Board (FRSB)

Mr. Allen stated no meetings are scheduled.

Attorney General Request

No update.

Fall Conference

Mr. Kirk noted the following items are tentative on the CIA roundtable agenda: Guidance 07, quality assurance review matrix, Financial Reporting Standards Board, the new Standards, and Enterprise Resource Planning (ERP). He also received an email request to add Electronic Funds Transfer (EFT) to the agenda.

Mr. Allen discussed the conference agenda, which includes: Capitol Police, ePay, mail, an IIA representative (Tammy Wyche), the Auditor General, Fraud (Shondra Johnson), DoIT, Cybersecurity, personally identifiable information (PII), and record retention.

Mr. Allen noted the scheduled staff auditor roundtable moderator, Mr. Stephen Minder, had to withdraw, but arranged an alternate, Mr. Scott Blankenship.

Quality Assurance Matrix/Process

Ms. Zemaitis was unable to attend the meeting. Mr. Shadid made a motion to disseminate the draft QAR matrix and related documents to chief internal auditors and liaisons for discussion at the fall meeting. Seconded by Ms. Manning. Motion passed unanimously.

NEW BUSINESS

None.

ANNOUNCEMENTS

The next regular meeting is scheduled for **Wednesday** November 9, 2016, 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. Allen. Motion carried unanimously. Meeting adjourned at 1:57 p.m.