

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

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

**MINUTES**

**Board Meeting – December 13, 2016**

**1:00 p.m.**

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**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  
Jane Hewitt, Department of Human Services – Springfield  
Stell Mallios, Office of the Secretary of State - Chicago  
Nick Barnard, proxy for Leighann Manning, Office of the Treasurer – Springfield  
Gary Shadid, Department of Agriculture – Springfield  
H. Jay Wagner, Office of the Attorney General – Springfield  
Julie Zemaitis, University of Illinois – Springfield

**Members Absent:**

None.

**Visitors Present:**

None.

**MINUTES**

The minutes for the November 8, 2016 SIAAB meeting were accepted with minor revisions. Ms. Abbott made a motion to accept, seconded by Mr. Allen. The motion passed unanimously.

The minutes for the October 25-27, 2016 SIAAB meetings were accepted as presented. Ms. Abbot made a motion to accept, seconded by Mr. Allen. The motion passed unanimously.

## **PUBLIC PARTICIPATION**

None.

## **REPORTS AND UPDATES**

### **CPE Coordinator**

Ms. Zemaitis was unable to attend the prior two meetings, and provided an update of activity since the September meeting. Six individuals have completed the course since the September meeting.

### **Quality Assurance Coordinator**

Mr. Allen presented the following reports for acceptance:

- Eastern Illinois University (EIU) – Generally Conforms (GC), No FCIAA findings. The only area not reported as GC was the lack of an overall conclusion in the report. Mr. Allen made a motion, seconded by Mr. Shadid. Motion passed unanimously with an abstention from Ms. Hewitt.

Mr. Allen presented the following QAR Report for acceptance:

- Illinois Housing Development Authority - Team request for Steven Pawlow. The documentation provided did not support Mr. Pawlow's conformance with the SIAAB requirement to have 24 hours of government CPE. Mr. Allen made a motion to deny the team request at this time, seconded by Ms. Abbott. Motion passed unanimously with an abstention from Ms. Hewitt. The Chief Internal Auditor for IHDA will be notified, and the Board may reconsider the request if proper documentation is provided.

### **FOIA Officer**

Ms. Abbott noted the retention procedures were approved, with the exception of closed meeting agendas and minutes. The agenda is to be public. There is a hearing next Wednesday (December 21, 2016) that Ms. Abbott will attend.

### **Guidance Coordinator**

Mr. Wagner received two comments that the Exposure Draft for #07 – Access and Disclosure of Engagement Reports is acceptable, and no other feedback. Mr. Wagner made a motion to accept guidance 07 as presented, seconded by Mr. Shadid. Motion passed unanimously.

## **OLD BUSINESS**

### **Financial Reporting Standards Board (FRSB)**

30 ILCS 30 remains repealed. Nothing new to report.

#### **Attorney General Request**

No update.

### **Fall Conference**

Mr. Allen noted we did turn a minor profit of \$400, and all bills have been paid. There were 153 attendees, and 41 completed satisfaction surveys. There was some disappointment with the quality of the speakers, and that the content of the fraud course was a bit off topic.

### **Quality Assurance Matrix/Process**

An exposure draft for the proposed QAR process was disseminated on Friday, December 9, 2016, and the 30 day window for comment will close before the next meeting on Tuesday, January 10, 2017.

### **FCIAA Committee**

Mr. Kirk will send out an email to all Chief Internal Auditors to solicit interest in serving. There was consensus that a Committee of 5 individuals, with no more than 1 or 2 SIAAB Board Members, would be sufficient.

## **NEW BUSINESS**

### **Changes to SIAAB documents based on new IIA Standards**

Mr. Wagner went through existing guidance documents 01-06 and proposed updates based on the new IIA Standards, effective January 1, 2017. No functional changes were introduced, only changes to reflect the text of the new Standards and the new address of the IIA. Motion to accept as presented by Mr. Wagner, seconded by Ms. Zemaitis. Motion passed unanimously.

Mr. Wagner went through the bylaws and proposed updates based on the new IIA Standards, effective January 1, 2017. No functional changes were introduced, only changes to reflect the text of the new Standards and the new address of the IIA. Motion to accept as presented by Mr. Wagner, seconded by Mr. Shadid. Motion passed unanimously.

Mr. Wagner went through the QAR Process document and proposed updates based on the new IIA Standards, effective January 1, 2017. No functional changes were introduced, only changes to reflect the text of the new Standards and the new address of the IIA. Mr. Wagner noted that, though the QAR process is undergoing significant changes, that the changes he noted were related to the updates to the guidance and

bylaws, and he deemed it best to communicate them while he was updating other documents. Motion to accept as presented by Mr. Wagner, seconded by Ms. Hewitt. Motion passed unanimously.

Mr. Wagner has been offered an opportunity to teach a course as an Adjunct Instructor at the University of Illinois at Springfield (UIS) starting in January 2017, and presented an updated Statement of Independence reflecting the relationship. Motion by Mr. Allen, seconded by Mr. Shadid. Motion passed unanimously, with an abstention from Mr. Wagner.

### **ANNOUNCEMENTS**

The next regular meeting is scheduled for January 10, 2017, 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 1:47 p.m.