

September 17, 2001

A regular meeting of the State Internal Audit Advisory Board was held on September 17, 2001 at the Capital City Center, Springfield, Illinois. The meeting was called to order by Chair Barb Ringler at 10:30 A.M. by invoking the 30-minute rule, as a quorum was not present.

Members Present:

Barbara Ringler - Chair - Office of the Treasurer
Stephen D. Kirk - Capital Development Board
Robert Schwarz - Department of Central Management Services
Lesslie D. Morgan - Vice-Chair - Department of Insurance
Carol Kraus - Office of the Comptroller

Members Absent:

James S. Reid - Office of the Attorney General
Nancy J. Hilger - Department of Agriculture
Al DiSilvestro - IL Secretary of State
C. William Coons - Department of Professional Regulation
Bradley W. Hammond - Department of Natural Resources

Minutes:

The Board reviewed the minutes from the August 14, 2001 meeting. A motion was made by Mr. Schwarz and seconded by Mr. Kirk to accept the minutes. All approved the motion.

Old Business:

Peer Review

Ms. Morgan stated that the 2nd committee member's review was completed on Capital Development Board (CDB). The Peer Review work papers for the Treasures office was forwarded to the 2nd committee member for review.

Mr. Schwarz announced that CMS's David Boyd is drafting an audit program for a quality assurance review. Mr. Schwarz asked Chair Ringler to decide who should review the program once it is completed.

Chair Ringler asked how many peer reviews were going on this year. Mr. Schwarz stated that he has only received the schedule and from that he determined one dropped out and 9 peer reviews remain for this year.

Chair Ringler confirmed with Mr. Schwarz that Mr. Hammond would turn over the coordination of the peer reviews to Mr. Schwarz for CY 2002.

Board Membership Recommendations to Governor

Mr. Schwarz reported the appointments of the Board's 2001 nominees Lesslie Morgan and Kathleen Moreno continues to be on the agenda for the next meeting of the Boards and Commissions.

Mr. Schwarz announced that only one State Internal Audit Advisory Board appointment is due in 2002. The Governor's Office appointed 3 people for term ending in 2003. Mr. Schwarz will contact the Boards and Commissions Office regarding the appointments. Mr. Schwarz also suggested asking for nominations at the October, 2001 IA Managers Conference to fill the vacancy.

Retreat Discussion

Chair Ringler presented the final agenda for the Internal Audit Managers Conference that will be held on October 11 - 12, 2001 at Eagle Creek Resort. Chair Ringler announced that Bill Sampias will be giving a presentation on IT Auditing and Greg Gilbert will be giving a presentation on Applications and Systems Development. In the afternoon there will be FCIAA update and discussion. Shelly Martin will be leading a program on various techniques on Risk Assessment. If time permits there will be discussion groups at the end of day. On Friday John Donelan will be speaking on GASB 34 and Crystal Caison will be speaking on Fraud/Forgery of State Warrants. In the afternoon Bob Schwarz and Brad Hammond will be giving a Peer Review update. Chair Ringler announced the menu choices for the IA Managers Conference.

New Business:

Discussion was held regarding proposed changes to FCIAA.

Chair Ringler suggested sending out a ballot prior to the IA Managers Conference regarding whether FCIAA should be changed and that each agency have one vote. Ms. Morgan suggested having a written ballot with the name of the agency and the voting person. Mr. Kirk suggested that the ballot and letter be sent to the Chief Internal Auditor. The vote will be revealed at the retreat and discussion will be based upon the majority vote.

The board unanimously voted that an official ballot vote needs to take place prior to the IA Mangers Conference.

Announcements:

Chair Ringler announced that Dick Traver called her the other day and sent her a list of individuals that have registered for the November 1 -2nd State Internal Audits Conference. Chair Ringler shared the list with the board members. Chair Ringler asked the Board if it would be

beneficial for Dick Traver to have someone call the Agencies that have not registered yet. The Board concluded that it would be beneficial to make the phone calls.

Next Meeting:

The next meeting will be held on October 9, 2001, at 10:00 A.M. at the Capital City Center, 130 W. Mason, Springfield, Illinois, in Room 103.

Adjournment:

A motion to adjourn was made by Mr. Schwarz and seconded by Mr. Kirk. All were in favor. The meeting was adjourned at 11:25 A.M.