

November 13, 2001

A regular meeting of the State Internal Audit Advisory Board was held on November 13, 2001 at the Capital City Center, Springfield, Illinois. The meeting was called to order by Chair Barb Ringler at 10:00 A.M.

Members Present:

Barbara Ringler - Chair - Office of the Treasurer
Lesslie D. Morgan - Vice-Chair -Department of Insurance
Carol Kraus - Office of the Comptroller
Robert Schwarz - Department of Central Management Services
C. William Coons - Department of Professional Regulation
Stephen D. Kirk - Capital Development Board
Nancy J. Hilger - Department of Agriculture
Bradley W. Hammond - Department of Natural Resources

Members Absent:

James S. Reid - Office of the Attorney General
Al DiSilvestro - IL Secretary of State
Kathleen Moreno - Eastern Illinois University

Minutes:

The Board reviewed the minutes from the October 9, 2001 meeting. A motion was made by Mr. Coons and seconded by Ms. Morgan to accept the minutes. All approved the motion.

The Board reviewed the minutes from the November 2, 2001 special meeting. A motion was made by Mr. Kirk and seconded by Mr. Coons to accept the minutes. All approved the motion.

Old Business:

Peer Review

Chair Ringler reported that she had received an email from Steve Hayward of State University Retirement Systems. Mr. Hayward has assembled two qualified auditors from other Public Pension Systems to do a Peer Review. Mr. Hayward attached the resumes of Dave MacCabe and Jeanette Eckert to his email. Mr. Hayward requested that due to the experience of Mr. MacCabe that he not be required to take the SIAAB Online Peer Review training. The second auditor, Jeanette Eckert, will take the training. Since Mr. MacCabe has used Association of College and University Auditors (ACUA) audit program, he is requesting that he be allowed to use ACUA and add the compliance portion with Illinois FCIAA statute. After discussion, the motion was

made by Mr. Coons and seconded by Mr. Schwarz to honor Mr. Hayward's request. All approved the motion.

Ms. Morgan submitted to Chair Ringler a copy of the Capital Development Board's Peer Review. The Report Acceptance Committee recommends that the CDB's Peer Review Final Report be signed and issued by the Executive Committee.

Board Membership Recommendations to Governor

After discussion, Mr. Schwarz moved that the Board approved and forward to the Governor's Office the recommended reappointments of Mr. Kirk and Mr. Coons to the State Internal Audit Advisory Board. The motion was seconded by Ms. Hilger. All approved the motion.

Spring Retreat Discussion

Chair Ringler distributed copies of the comments and evaluation summary of the Retreat at Eagle Creek on October 11/12, 2001. The Board decided to conduct a two-day retreat in the spring. There will be no fall conference since the Springfield IIA chapter is hosting the "State and Local Government Conference" on October 7-8, 2002. At the next meeting, Brenda Easley, will report on the available dates at Starved Rock and Eagle Creek.

FCIAA Vote

Chair Ringler reported the results of the FCIAA vote and revote were as following:

1. Proposing a change to FCIAA Section 10/2003(2) to include "risk-based approach," including the four areas (Purchasing, Expenditure Control, Revenue Collection, and Property Control) as high risk.

Vote	Yes - 31	No - 15
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Revote	Yes - 25	No - 19
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2. Proposing a change to FCIAA Section 10/2003(3) and (4) by changing "electronic data processing" to "automated information" and adding "system functionality."

Vote	Yes - 36	No - 8	Undetermined - 2
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Revote	Yes - 29	No - 15
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3. Proposing a change to FCIAA Section 10/2005(f) as follows: Deleting Sections 10/2005(f)(2) and (3) and adding, "establishing guidelines for quality assurance and improvement programs."

Vote	Yes - 36	No - 8	Undetermined - 2
Revote	Yes - 26	No - 18	

After discussion the Board voted (Yes-5; No-3) to move forward with the revisions to FCIAA. The Board will proceed with the FCIAA revisions.

New Business:

There was no new business.

Announcements:

There were no announcements.

Next Meeting:

The next meeting will be held on December 11, 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 Ms. Hilger. All were in favor. The meeting was adjourned at 11:50 A.M.