

December 11, 2001

A regular meeting of the State Internal Audit Advisory Board was held on December 11, 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
Robert Schwarz - Department of Central Management Services
Nancy J. Hilger - Department of Agriculture
Bradley W. Hammond - Department of Natural Resources
Kathleen Moreno - Eastern Illinois University

Members Absent:

James S. Reid - Office of the Attorney General
Carol Kraus - Office of the Comptroller
Al DiSilvestro - IL Secretary of State
C. William Coons - Department of Professional Regulation
Stephen D. Kirk - Capital Development Board

Minutes:

The Board reviewed the minutes from the November 13, 2001 meeting. Mr. Hammond requested that the minutes be amended to explain there will be no fall conference sponsored by the Springfield IIA chapter since they are hosting the "State and Local Government Conference" on October 7-8, 2002. A motion was made by Mr. Schwarz and seconded by Ms. Morgan to accept the amended minutes. All approved the motion.

Old Business:

Peer Review

Ms. Morgan reported that Ms. Kraus has finalized the review of the Treasurer's Office and will forward to the Report Acceptance Committee.

Ms. Morgan reported that during the course of a Peer Review there were some questions regarding the handling of observations made during the review. Ms Morgan asked of the Board: "Does the Board see any instance where an observation should be presented to the Director instead of being handled at the Chief Internal Auditor level?" After discussion by the Board, Mr. Hammond motioned, "That observations be handled in a method other than including in the Peer Review report." Ms. Hilger seconded the motion, all approved the motion.

Chair Ringler requested that the new motion be added to the adopted motions. After further discussion, a second motion was made by Ms. Morgan that the following statement be included in the Peer Review report when an observation is made: "There are other immaterial issues and/or matters of consideration that have been brought to the attention of the Chief Internal Auditor in the course of auditing and have not been included in this report." Mr. Schwarz seconded the motion, all approved the motion.

After discussion on the motions Mr. Schwarz moved to "Amend the first motion to reflect the terminology of the second motion, i.e., change observation to issue." Ms. Moreno seconded the motion, all approved the motion.

The Board is in the process of evaluating the impact that the new IIA Audit Standards will have on audit shops and the changes that will be needed to the current Peer Review Program. Chair Ringler will send a letter to the Chief Internal Auditors requesting volunteers to establish committees to evaluate the changes to the Standards and the revisions that will be needed to the current Peer Review Program to incorporate those changes.

Board Membership Recommendations to Governor

Mr. Schwarz reported the recommended reappointments of Mr. Kirk and Mr. Coons to the State Internal Audit Advisory Board were delivered to the Governor's Office and will be on the agenda of the next Governor's Boards and Commissions meeting.

Spring Retreat Discussion

After Brenda Easley reported on the available dates at Starved Rock and Eagle Creek for spring retreat, the Board decided to have the retreat at Starved Rock.

The Board is reviewing the possibilities of holding a fall retreat in conjunction with the Springfield IIA chapter's "State and Local Government Conference" on October 7-8, 2002 (At subsequent meeting the dates were rescheduled to September 23-24, 2002).

FCIAA Vote

Chair Ringler reported that Mr. Kirk has contacted the Governor's Office and they are aware of the vote on the FCIAA revisions. Some progress has been made.

New Business:

There was no new business.

Announcements:

There were no announcements.

Next Meeting:

The next meeting will be held on January 8, 2002, 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. Hammond and seconded by Ms. Morgan. All were in favor. The meeting was adjourned at 11:57 A.M.