

April 9, 2003

A regular meeting of the State Internal Audit Advisory Board was held on April 9, 2003 at the Capital City Center, Springfield, Illinois. This meeting was called to order by Chair Stephen Kirk at 10:00 A.M.

Members Present:

Stephen D. Kirk - Capital Development Board
Valarie Koch Representing James S. Reid, Office of the Attorney General
Shelly Martin - Central Management Services
Barbara Ringler - Office of the Treasurer
Bradley W. Hammond - Department of Natural Resources
Kathleen Moreno - Eastern Illinois University
Lesslie D. Morgan - Department of Insurance
Guest Richard Traver of the University of Illinois
Guest Darla Hill of the University of Illinois

Members Absent:

Al DiSilvestro - IL Secretary of State

Minutes:

The Board reviewed the minutes from the March 12, 2003 meeting. A motion was made by Ms. Morgan and seconded by Mr. Hammond to accept the amended minutes. All approved the motion.

Old Business:

Peer Review

Ms. Moreno gave the Western Illinois University (WIU) Peer Review to Ms. Ringler for review. Ms. Ringler will review and make recommendations to the Executive Committee.

Peer Review Bylaws

The Peer Review Bylaws revision has been tabled until the Board receives guidance regarding Executive Order #10.

Board Vacancies

Board appointments have been tabled until the Board receives guidance regarding Executive Order #10.

FCIAA

FCIAA has been tabled until the Board receives guidance regarding Executive Order #10. No updates.

Spring Conference May 6 & 7, 2003

The Board will contact the Governor's Office regarding a speaker for the Conference.

University of Illinois Peer Review Request

Mr. Richard Traver and Ms. Darla Hill of the University of Illinois presented an "Analysis of Peer Review Using Self-Assessment with Independent Validations". Mr. Traver stated that the University of Illinois proposed utilizing a model previously utilized by Minnesota, which has previously done a "Self-Assessment with Independent Validation". Ms. Hill stated that every area of the office will be reviewed and that audits will be selected on a random basis utilizing a random number generator, based upon the various categories of audits conducted during the review period. Questionnaires will be compiled by someone at the University of Illinois who is independent of the Office of Internal Audits. These will be given to the Independent Validation Team. In addition, the Independent Validation Team will have access to everything and will be given a complete organizational chart and will be allowed to interview anyone they choose. In addition, someone from the validation team will successfully complete the "SIAAB Peer Review Course". It is currently anticipated that the Independent Validation Team will consist of individuals from Indiana and Northwestern. No reciprocal review arrangements will be allowed. Currently, the University of Illinois' Office of Internal Audits has 20 auditors. After discussion Mr. Hammond moved and Ms. Morgan seconded to allow the University of Illinois to proceed with a Peer Review Using Self-Assessment with Independent Validations Self-Assessment with the understanding that the team from Northwestern University could be replaced by a team from Michigan. All approved.

New Business:

Ms. Morgan moved and Ms. Ringler seconded the nomination and election of Ms. Shelly Martin as Vice-Chairperson. All approved.

Announcements:

No announcements.

Schedule Next Meeting:

The next meeting will be held on May 14 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 Ms. Morgan and seconded by Ms. Moreno. All were in favor. The meeting was adjourned at 10:45 A.M.