

**October 8, 2003**

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A regular meeting of the State Internal Audit Advisory Board was held on October 8, 2003 at the Capital City Center, Springfield, Illinois. This meeting was called to order by Chair Lesslie Morgan at 10:10 A.M.

**Members Present:**

Lesslie D. Morgan - Office of the Attorney General  
Rusti Cummings - Office of the Comptroller  
John W. Cressman - Illinois Office of Internal Audit  
Kathleen Moreno - Eastern Illinois University (Via Phone)

Guests:

Shelly Martin - Illinois Office of Internal Audit

**Members Absent:**

Al DiSilvestro - IL Secretary of State  
Barbara Ringler - Office of the Treasurer

**Minutes:**

The minutes from the September 10, 2003 Board meeting were not available for review. Chair Morgan will present the minutes for approval at the November 12, 2003 meeting.

**Old Business:**

*Committees*

Chair Morgan recommended and the Board agreed that the following people would serve on the Executive Committee:

- Lesslie D. Morgan - Office of the Attorney General
- Rusti Cummings - Office of the Comptroller
- John W. Cressman - Illinois Office of Internal Audit

Chair Morgan recommended and the Board agreed that the following people would serve on the Performance Committee:

- Barbara Ringler - Office of the Treasurer
- Rusti Cummings - Office of the Comptroller
- Kathleen Moreno - Eastern Illinois University

### ***Peer Review***

Mr. Traver will send the Peer Review files and records to Ms. Ringler the middle of November. Kathleen Moreno inquired on whether the Performance Committee members should take the new Peer Review Online Training Course since it had been recently updated. The Board agreed that the members of the Performance Committee should take the program prior to the review of the U of I's Peer Review workpapers and report.

### ***State Internal Audit Survey***

The Board agreed that each Board member would respond on behalf of their respective agencies.

Mr. Cressman asked if the Board knew who received the survey in Illinois. Chair Morgan reported that the survey had been sent to the Illinois Office of Internal Audit, Attorney General, Secretary of State, Comptroller, Treasurer Offices, and Eastern Illinois University. Some universities have also received it.

Ms. Moreno of Eastern Illinois University will pass the survey on to other universities.

Chair Morgan will call Judy Burke, the IIA contact person for the survey, and ask if it is too late for others to respond.

### ***By Laws***

The Executive Committee will work on the development of the Administrative By-Laws. The committee will have their recommendations for the By-Laws to the Board by the end of December.

### ***New Business:***

Chair Morgan recommended that the Board reserved 2004 calendar meeting dates for the second Wednesday of each month. The schedule of meeting dates was tabled until the next Board meeting. In the interim, Brenda will check to see if the current meeting room is available on the tentative meeting dates.

Mr. Cressman ask if Board members may have someone represent them with voting rights if the Board member cannot attend the meeting. In the past the Board did allow a Board member to delegate their voting rights when they were unable to attend. The delegation should be done in writing as should a vote occur that the individual does not agree with, the vote would not be rescinded. Chair Morgan will ask that the Executive Committee address that issue in the development of the Administrative By-Laws.

Chair Morgan recommended that a letter be sent to the Auditor General to notify him of the change in the Board's membership. John Cressman stated that the Legislative Audit Commission

and the Governor's Office should also receive notification. Chair Morgan stated that she would send the notification letter prior to the next scheduled meeting date.

### ***Illinois Office of Internal Audit***

John Cressman, Chief Internal Auditor of the Illinois Office of Internal Audit addressed the Board concerning Executive Order #10, Consolidation of Internal Auditing Functions.

Effective October 1, 2003 audit functions of forty-six agencies were consolidated into the Illinois Office of Internal Audit (IOIA). The IOIA organization has a dual reporting relationship much like most internal audit organizations today, in that it reports programmatically to an Audit Committee, in this case representing the Governor, and administratively reports to a senior management executive, the Director of Central Management Services.

IOIA is divided into five program areas:

1. Economic Development & Infrastructure/Law Enforcement
2. Government Services
3. Environmental & Business Regulation
4. Human Services
5. Public Services

The Illinois Office of Internal Audit is in the process of issuing an RFP for the development and implementation of a Risk Management model to develop a two-year audit plan based on risk assessment. The test model should be completed by the end of the year with an audit plan by January 1st.

Ms. Moreno asked if FCIAA would be changed due to Executive Order #10. Mr. Cressman replied there is no plan or recommendations to change FCIAA.

### **Announcements:**

No announcements.

### **Schedule Next Meeting:**

The next meeting will be held on November 12, 2003 at the Capital City Center, 130 W. Mason, Springfield, Illinois in Room 103.

### **Adjournment:**

A motion to adjourn was made by Ms. Cummings and seconded by Mr. Cressman. All were in favor. The meeting was adjourned at 11:30 A.M.