

**STATE OF ILLINOIS**  
**INTERNAL AUDIT ADVISORY BOARD**

WEB ADDRESS: [HTTP://SIAAB.AUDITS.UILLINOIS.EDU](http://SIAAB.AUDITS.UILLINOIS.EDU)

**MINUTES**

**Board Meeting February 8, 2006**

A regular meeting of the State Internal Audit Advisory Board was held on February 8, 2006 at the Capital City Center, Springfield, Illinois, Room 103. The meeting was called to order by Chair Barbara Ringler at 10:05 a.m.

**Members Present**

Barbara Ringler, Chair – Office of the Treasurer  
John W. Cressman, Vice-Chair – Illinois Office of Internal Audits  
Rusti Cummings – Office of the Comptroller  
Stell Mallios Representing Al DiSilvestro – IL Secretary of State (via phone)  
Lesslie D. Morgan – Office of the Attorney General  
Kathleen Moreno – Eastern Illinois University (Term to 2/1/04)

**Guest Present**

Julie Zemaitis, Executive Director – Office of University Audits

**Members Absent**

None

**Minutes**

The Board reviewed the minutes from the January 11, 2006 meeting. Ms. Cummings informed the Board that in the Discussion of Statement of Independence and Confidentiality Policy paragraph of the January 11, 2006 meeting, she had made a suggestion rather than a motion to allow Ms. Moreno to make the proposed changes to the forms. The Board agreed to amend the language in that Ms. Cummings made a suggestion to have Ms. Moreno make the proposed changes. A motion was made by Mr. Cressman to approve the minutes as amended. Ms. Morgan seconded the motion. All were in favor. The January 11, 2006 meeting minutes were approved.

**Old Business**

*CPE Coordinator – Online Peer Review Training Update*

Ms. Morgan informed the Board that there are 20 people trained to perform peer reviews from fiscal year 2006. There are seven individuals who are currently taking the course.

### *Appointment(s) to SIAAB*

Mr. Cressman suggested the Board pull the paperwork from the previous appointment of February 1, 2001. The Board agreed that this may possibly motivate Boards and Commissions to follow through with appointing a member. Ms. Moreno will contact Eduardo Mascorro to gather the paperwork from her appointment of February 1, 2001.

### *Statement of Independence and Confidentiality Policy*

Ms. Ringler informed the Board that the forms have been posted on the SIAAB website and are currently being used by new applicants for peer review.

### *Peer Review Team Approval Request – Attorney General’s Office*

In the previous meeting, the Board had approved the Attorney General’s Request for Peer Review Team Approval with Ms. Judy Lazar as their external validator. Ms. Morgan informed the Board that it has since come to her attention that Ms. Lazar has 79.5 CPE training hours but feels Ms. Lazar is more than qualified to perform the peer review. Ms. Morgan provided a copy of the CPE schedule obtained from Ms. Lazar and requested that the Board consider issuing an exemption in accordance with the SIAAB Bylaws, Article II – Section 5.1 to allow Ms. Lazar to perform the Attorney General’s Peer Review. Ms. Moreno made a motion to exempt Judy Lazar from needing the 80 CPE hours in order to perform the peer review for the Attorney General’s Office. Ms. Cummings seconded the motion. All were in favor. The motion was passed. Ms. Morgan also submitted the SIAAB’s Peer Review Statement of Independence and the SIAAB’s Peer Review Confidentiality Policy/Commitment forms that were signed by Judy Lazar on February 3, 2006. The forms were previously requested by the Board at its January 11, 2006 meeting in conjunction with the Board’s approval of the Request to the SIAAB for Peer Review Team Approval. Ms. Morgan informed the Board that Ms. Lazar successfully completed the SIAAB Peer Review Online Training Course on February 1, 2006.

### **New Business**

#### *Peer Review Team Approval Request – Chicago State University, Teacher’s Retirement System, Eastern Illinois University*

The Board reviewed the request from John Meehan of Chicago State University to have Lynn Sands Westhoff of Illinois State University perform his peer review. Ms. Moreno made a motion to approve Lynn Sands Westhoff to conduct Chicago State University’s peer review. Mr. Cressman seconded the motion. All were in favor. Chicago State University’s Request for Team Approval was approved subject to receipt of the Confidentiality Policy and Statement of Independence.

The Board reviewed the request from Stacy Smith of Teacher’s Retirement System to have Larry Stone of State Employees Retirement System perform her peer review. Ms. Smith also submitted the signed Confidentiality Policy and Statement of Independence forms from Mr. Stone. Ms. Cummings made a motion to approve Larry Stone to conduct Teacher’s Retirement

System's peer review. Ms. Morgan seconded the motion. All were in favor. Teacher's Retirement System's Request for Team Approval was approved.

The Board reviewed the request from Kathleen Moreno of Eastern Illinois University to have Sharon Downen of Northern Illinois University and Ron Cremeens of Southern Illinois University perform her peer review. Ms. Moreno also submitted the signed Confidentiality Policy and Statement of Independence forms from both Sharon Downen and Ron Cremeens. Mr. Cressman made a motion to approve Sharon Downen and Ron Cremeens to conduct Eastern Illinois University's peer review. Ms. Cummings seconded the motion. All were in favor. Eastern Illinois University's Request for Team Approval was approved.

The Board discussed and came to the agreement that Requests for Team Approval should not be signed by the Chair until the requested team member has completed the on-line training course and the Statement of Independence and Confidentiality Policy forms have been signed and submitted. The Board decided to revise the Statement of Independence and Confidentiality Policy to insert a line requiring the Executive Committee Chair's signature upon approval. The Board also decided to add a line on the request form noting the on-line course completion date. Once approved, all three signed original forms should be returned to the applicant with copies retained by the Executive Committee Chair.

#### *Proposed New Members of the Performance Committee*

The Board members proposed the following members for the Peer Review Performance Committee:

1. Julie Zemaitis
2. Gene Fruit
3. Neal Crowley
4. Steve Kirk
5. Jim Kincaid
6. Brent Nolan
7. Rusti Cummings
8. Barb Ringler
9. Kathleen Moreno
10. Al DiSilvestro
11. Lesslie Morgan

#### *Expectation of Validators' Workpapers*

Ms. Ringler asked the Board what they deem should be submitted in the workpapers to the Performance Committee for review. The Board agreed that the validator should at least submit the audit matrix, any finding sheets and narratives. Ms. Zemaitis asked the Board if it would be helpful to have a one hour training session for all Performance Committee members to instruct them on what is an acceptable level of documentation. Mr. Cressman agreed and will see that the Performance Committee members are brought together for a training session. Mr. Cressman will contact the CAE's to inform them of the Performance Committee member that has been

assigned to them and what information will be expected. The Board agreed that one reviewer for each peer review will be sufficient.

#### *Election of SIAAB Board Members*

At the previous meeting Mr. Cressman was nominated as Chair and Ms. Morgan was nominated as Vice-Chair. The Board voted and all were in favor of Mr. Cressman as the new elected Chair and Ms. Morgan as the new elected Vice-Chair.

#### **Announcements**

None

#### **Next Meeting**

The next meeting will be held March 8, 2006 at 10:00 a.m. at the Capital City Center, Room 103, Springfield, Illinois.

#### **Adjournment**

A motion to adjourn was made by Ms. Morgan and seconded by Mr. Cressman. All were in favor. The meeting was adjourned at 11:55 a.m.