

State of Illinois

Internal Audit Advisory Board

Web Address: [HTTP://SIAAB.AUDITS.UILLINOIS.EDU](http://SIAAB.AUDITS.UILLINOIS.EDU)

MINUTES

Board Meeting January 10, 2007

The regular meeting of the State Internal Audit Advisory Board was held on January 10, 2007 at the Capital City Center, Springfield, Illinois, Room 103. Acting Chair Lesslie D. Morgan called the meeting to order at 10:06 a.m. Per Ms. Morgan's request, Kathleen Moreno, SIAAB Member, recorded the minutes.

Members Present

Lesslie D. Morgan, Acting-Chair –Office of the Attorney General (In Person/Capital City Center, Springfield)

Barbara Ringler, Office of the Treasurer (In Person/Capital City Center, Springfield)

Rusti Cummings, Office of the Comptroller (In Person/Capital City Center, Springfield)

Kathleen Moreno, Eastern Illinois University (Term to 2/1/04) (In Person/Capital City Center, Springfield)

Al DiSilvestro, Office of the Secretary of State (Via Phone/Secretary of State's Chicago Office)

Carol Kraus, Illinois Office of Internal Audit (In Person/Capital City Center, Springfield)

Guests Present

Lisa LaBonte, Chief Internal Auditor, ISBE (In Person/Capital City Center, Springfield)

Judy Lazar, Independent External Validator for ISBE (In Person/Capital City Center, Springfield)

Darren Reisberg, General Counsel, ISBE (In Person/Capital City Center, Springfield)

Karl Vogl, Principal Auditor, ISBE (In Person/Capital City Center, Springfield)

Steve Hayward, Performance Committee Member for ISBE/SURS Internal Auditor (Via Phone/SURS Champaign Office)

Members Absent

None

Minutes

There was a motion by Ms. Moreno to approve the minutes for the November 15, 2006 meeting as amended (9th line under New Business should read "accept" rather than "except"). Ms. Ringler seconded the motion. All Board members were in favor so the minutes were approved.

The Board reviewed the minutes from the December 13, 2006 meeting. A motion was made by Ms. Ringler to approve these minutes and seconded by Ms. Cummings. All Board members were in favor so the minutes were approved.

Reports/Updates

CPE Coordinator – Online Peer Review Training Update

Ms. Morgan indicated that Derek Brown, from Crowe, Chizek & Company successfully passed the Board's online training course since the last meeting.

Performance Committee

Ms. Morgan indicated that the Illinois Secretary of State's external quality assurance review was outstanding. Ms. Morgan indicated that on average the Performance Committee completed their reviews within 35.7 days upon receipt.

Executive Committee

Ms. Morgan indicated that the external quality assurance reviews for Southern Illinois University, Governor's State University, the Illinois Student Assistance Commission and Eastern Illinois University were approved and released since the last meeting. Ms. Morgan indicated that on average the Executive Committee completed their approvals and release of reports within 10.9 days.

A total of 14 external quality assurance reports were issued within the 2006 calendar year.

Two external quality assurance reports were not approved/held—the Illinois State Board of Education (ISBE) and the Illinois Housing Development Authority (IHDA).

The remaining outstanding agencies:

- **Western Illinois University:**
Request for extension (received 10/2/06) was denied by the Board—see Nov. 15, 2006 minutes.
- **Illinois Toll Highway Authority:**
Request for extension (received 1/2/07) was denied by the Board—Jan. 10, 2007 minutes.
- **Illinois Supreme Court:**
No submission for an external quality assurance review.
- **Illinois Army National Guard:**
No submission for an external quality assurance review.
- **Illinois Comptroller's Office:**
No submission for an external quality assurance review.

New Business

According to the SIAAB Bylaws Section III **3.2 ELECTION OF OFFICERS:**

Nominations for Chair and Vice Chair shall be made by the Board, from within the Board's existing membership, at its January Board meeting.

The Board shall elect the Chair and Vice Chair by majority vote at the February Board meeting. The newly elected Chair and Vice Chair shall begin serving their one-year terms immediately.

If the Chair becomes unable to perform his/her duties or no longer holds a position that would allow him/her to continue to serve on the Board, the Vice Chair shall serve as the Acting Chair until the next Board meeting, at which time an election shall be held to fulfill the remainder of the original term.

If the Chair and the Vice Chair become unable to perform their duties or no longer holds positions that would allow them to continue serving on the Board, the immediate Past Chair shall serve as the Acting Chair until the next Board meeting, at which time an election shall be held to fulfill the remainder of the original term.

Election:

Since the previous Chair Mr. Cressman was unable to perform his duties and no longer held a position that would allow him to continue serving on the Board, Ms. Morgan (current Vice-Chair became Acting Chair until the January 10th Board Meeting). A motion was made by Ms. Ringler and seconded by Ms. Kraus that Ms. Morgan fulfill the remainder of the original term (February 2007). The members of the Board unanimously approved the motion.

Nominations:

To adhere to the SIAAB Bylaws, nominations were made for both the Chair and the Vice-Chair accordingly, Ms. Morgan was nominated as Chair and Ms. Cummings was nominated as Vice-Chair. Nomination for Chair was made by Ms. Ringler and seconded by Ms. Kraus. Nomination for Vice-Chair was made by Ms. Ringler and seconded by Ms. Moreno.

ISBE:

Ms. LaBonte read a memo to present their support for the opinion rendered for the Standards portion of the Self-Assessment with Independent Validation report agreed upon by the external validator and Ms. LaBonte. Upon further discussion with the representatives of the ISBE, the independent external validator and the Performance Committee member assigned to conduct the review, the Board voted unanimously to not accept the external quality assurance review. Ms. Kraus will research and provide verbiage for an explanatory paragraph in the Board's cover letter accompanying the final report. The Board explained to the ISBE that upon implementation of corrective action, the ISBE may request another external quality assurance review.

NEIU:

Ms. Moreno indicated that she had sent an e-mail to NEIU with examples from other Illinois universities as to verbiage used for consulting/assurance engagements. Ms. Morgan will respond to Mr. Cierny's request by referring him to the IIA's Practice Advisories.

Illinois Toll Highway Authority:

The request for extension (received 1/2/07) was unanimously denied by the Board—Jan. 10, 2007 minutes.

Announcements

The next meeting of the Board will be a training session scheduled for January 17, 2007 at the 500 ½ Stratton Office facility in Springfield. Training will begin at 10:00 a.m. and run through 12:00 p.m. For those attending via teleconference, the JRTC Room 9035 has been reserved for a video.

The next regular meeting will be February 14, 2007 at 10:00 a.m. at the Capital City Center, Springfield, Illinois, Room 103.

Ms. Moreno indicated the following changes to the Board letterhead:

- 1) Remove the second e-mail address for the Office of the Secretary of State
- 2) Revise the e-mail address for Eastern Illinois University to kmoreno@eiu.edu

There was discussion to expand the number of Board members and to reiterate to the Governor's Office of Boards and Commissions that an appointment (Ms. Zeimitis-U/I) and/or re-appointment (Ms. Moreno-EIU) to the SIAAB for state college and university representation is needed—Ms. Moreno has continued to serve in this capacity (as per the SIAAB Bylaws) even though her term expired 2/1/04. Mr. Cressman had over the period attempted to obtain a reappointment with no action taken by the Governor's Office of Boards and Commissions. Ms. Kraus volunteered to address the university appointment issue with the Governor's Office of Boards and Commissions. These issues were deferred to the next regular meeting.

Adjournment

A motion to adjourn was made by Ms. Moreno and seconded by Ms. Cummings. Motion was passed at 12:05 p.m.