

State of Illinois

Internal Audit Advisory Board

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

MINUTES

Board Meeting May 9, 2007

Call to Order

The regular meeting of the State Internal Audit Advisory Board (SIAAB) was held on May 9, 2007 at the Capital City Center, Springfield Illinois, Room #104. The CMS Video Conference Room #9036 on the 9th floor of the James R. Thompson Center in Chicago was also available for this meeting. Chair Lesslie Morgan called the meeting to order at 10:02 a.m. Per Ms. Morgan's request, Ms. Cummings recorded the minutes.

Roll Call

Members Present

Those attending in person at the CMS Video Conference Room #104, Capital City Center, Springfield included:

Lesslie D. Morgan, Chair - Office of the Attorney General
Rusti Cummings, Office of the Comptroller
Barb Ringler, Office of the Treasurer
Carol Kraus, Illinois Office of Internal Audit

Members Absent

Al DiSilvestro, Office of the Secretary of State

Guests

Kathleen Moreno, State University Civil Service System
(In Person at CMS Video Conference Room #104, Capital City Center, Springfield)

Minutes

The minutes of the April 12, 2007 meeting were reviewed by all present. A few typing errors were corrected. A motion to approve the minutes, as corrected, was made by Ms. Ringler, seconded by Ms. Kraus, and carried.

Reports/Updates

CPE Coordinator -- Online Peer Review Training Course

Ms. Morgan reported that there are not any participants currently taking the online peer review training course. In addition, she has not received any requests to register any new participants for this course.

Board Committees Update

Executive Committee: The status of the peer reviews / self assessment with independent validations for the remaining outstanding agencies is as follows:

- Western Illinois University: Ms. Moreno completed her review and submitted the report to the Performance Committee on April 12, 2007.
- Illinois Toll Highway Authority: No response has been received since the Request for extension was denied by the Board (Jan. 10, 2007 minutes).
- Illinois Secretary of State: No update since December 18, 2006 indicating that the draft report would not be available.
- 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.

Performance Committee: The Performance Committee updates will be provided under the Old Business section of this meeting.

Old Business

SIAMG/Peer Review Form Website Update

Ms. Morgan reported that several editorial changes were made to the State Internal Audit Managers Group section of the SIAAB website. This included: reorganizing the audit departments into groups (i.e. agencies, retirement organizations, and universities) which are alphabetized by agency name within group; correcting a typo; and reflecting the changes which have occurred within several agencies under the jurisdiction of the Illinois Office of Internal Audit (IOIA). Ms. Kraus will review the website to confirm the accuracy of the agencies listed under the IOIA section and discuss any additional changes with Ms. Morgan.

The fax number on **need name of webpage** was also changed to Ms. Morgan's number. The Peer Review Statement of Independence form was changed to remove the date on the front page. This date is already documented on the second page with the signatures.

Confidentiality/Independence Statements

Ms. Morgan stated that the independence and confidentiality forms had been received for the Executive Committee members (Ms. Morgan, Ms. Ringler, and Ms. Cummings) and the Performance Committee members (Ms. Moreno, Mr. Hayward, Ms. Smith, and Ms. Zemaitis; Mr. Papuga indicated he would not be able to serve on this committee at this time). These forms were reviewed and approved by the Board.

In addition, Northern Illinois University has made a request for a subsequent review of their self assessment independent validation and will be discussed further under the New Business section of this meeting.

External Assessments and SAIV Subsequent Review Process

External Assessments: The WIU report has been received by the Performance Committee. This has not yet been assigned since we needed the Performance Committee members' independence and confidentiality statements to be approved by the Board. Since this was completed earlier in this meeting, it was agreed by the Board members that Ms. Cummings would contact Ms. Smith with Teachers Retirement Systems to determine if she is willing to conduct the Performance review and, if so, determine the time schedule for such review.

There is no other external assessment activity to report.

SAIV Subsequent Review Process:

Ms. Cummings provided the Board with the revised draft of the Summary of External Assessment and Independent Validation Subsequent Review form and procedures. Based on the Board's discussions, minor changes were made. Ms. Ringler motioned to approve the revised form and procedures. This was seconded by Ms. Kraus and approved by the Board. Ms. Cummings will distribute the instructions to each department which will need a subsequent review. Ms. Cummings will also provide the procedures to the webmaster for updating the SIAAB website.

Ms. Cummings indicated that she had received an email from Ms. Downen from NIU. The topic had been "How extensive must the (subsequent review) supporting documentation be?" The Board members discussed this and agreed that a Summary of External Assessment and Independent Validation Subsequent Review form completed and signed by both the CAE and Validator and the applicable sections of the matrix would be sufficient. It was not necessary to provide the Board with the documentation used by the CAE.

Training

Ms. Morgan announced that a room had been reserved at the Capital City Center for October 15 and 16, 2007 training course. She also distributed a tentative agenda. The potential speakers are from the Offices of the Attorney General, Comptroller, Auditor General, and Treasurer. The potential topics include: State and Federal Identity Theft / Privacy; FOIA; Open Meetings Act; State Audit Update; GAAP/Financial Reporting; Roundtables Discussions; Subsequent Reviews for Quality Assurance; and EPay. After some discussion about additional topics, Ms. Kraus indicated she would try to locate speakers on GASB changes; federal SEFA and sub-recipient monitoring; and shared services.

New Business

Agency Requests for Reviews

As mentioned in the confidentiality and independence statement discussion, Northern Illinois University has submitted a Request for a subsequent review of their self assessment independent validation. The Statement of Independence and the Confidentiality Commitment were also submitted. The review team and timeline were

discussed. A motion to approve these documents was made by Ms. Ringler and seconded by Ms. Kraus. This motion was approved.

Announcements

The regularly scheduled meeting for June 13th will be rescheduled because several Board members will be unable to attend on that date. Therefore, the next meeting will be held on June 21, 2007 -- 10:00 a.m. at the Capital City Center's Video Conference Room 104, 130 West Mason, Springfield, Illinois. For those attending via video conference in Chicago, the JRTC Room 9036 has been reserved.

Adjournment

A motion to adjourn the Regular Session was made by Ms. Cummings and seconded by Ms. Ringler Motion was passed at 11:12 am.

Board Committee Meetings

Performance Committee—There was no business to conduct at this time.

Executive Committee—There was no business to conduct at this time.