

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

2007 Fall Conference October 15, 2007 and October 16, 2007

October 15, 2007

Registration for the conference began at 8:00 am. Opening remarks were made by Ms. Lesslie Morgan, SIAAB Chair at 8:30 am. All conference attendees introduced themselves. The first presenter was Mr. Josh Budd from the Illinois Office of the Treasurer. Mr. Budd gave a presentation on E-Pay for governmental entities. He also discussed Payment Card Industry (PCI) Data Security Standards and the VISA Cardholder Information Security Program (CISP) compliance validation levels.

The second presenter was Mr. Jon Friend from the Illinois Governor's Office of Management and Budget. Mr. Friend gave a presentation on the Shared Services program. Mr. Friend discussed that this program will streamline many basic fiscal and human resources related operations which will improve services and create a more efficient state government. He indicated additional information may be obtained from www.sharedservices.illinois.gov.

The third presenter was Mr. Scott Reeser from the Illinois Office of the Comptroller. Mr. Reeser gave a presentation on the GAAP Financial Update. He addressed issues of concern regarding GASB Statements No. 40 (Deposit and Investment Risk Disclosures) and recently issued guidance on GASB Statements No. 42 (Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries), No. 47 (Accounting for Termination Benefits), No. 48 (Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues), No. 49 (Accounting and Financial Reporting for Pollution Remediation Obligations), No. 50 (Pension Disclosures), and No. 51 (Accounting and Financial Reporting for Intangible Assets).

After the lunch break provided to attendees, the fourth presenter was Ms. Christine Nielson from the Illinois Office of the Attorney General. Ms. Nielson gave a presentation on State and Federal Identity Theft and Privacy Laws that impact government agencies. Ms. Nielson discussed data breaches and the Personal Information Protection Act requirements. She also discussed Social Security Number protection and Credit Reporting protections.

The fifth presenter was Ms. Carol Kraus from the Governor's Illinois Office of Internal Audit. Ms. Kraus discussed the Governmental Accounting Standards Board's (GASB) mission and structure. She also discussed the Governmental Accounting Standards Advisory Council's (GASAC) roles and responsibilities.

As part of the conference's roundtable discussions, Ms. Morgan conducted a presentation on the recent changes to Continuing Profession Education requirements as adopted from GAO. Ms. Julie Zemaitis, Director of Audits at the University of Illinois conducted a presentation on IIA Practice Advisory 2030-1 Resource Management. Attendees then broke into small discussion groups to discuss the types of resource management that is in place within their agencies.

The first day of the conference adjourned at 4:30 pm.

October 16, 2007

Registration for the second day of the conference began at 8:00 am. Opening remarks were made by Ms. Lesslie Morgan, SIAAB Chair at 8:30 am. Ms. Zemaitis conducted a follow-up discussion on IIA Practice Advisory 2030-1 Resource Management. Each group shared information regarding the types of resource management tools that are in place within their agencies.

The first presenter was Ms. Terry Multcher, Public Access Counselor from the Illinois Office of the Attorney General. Ms. Multcher gave a presentation on the Open Meetings Act and the Freedom of Information Act. She discussed the requirements for conducting open and closed meetings and provided examples of types of public information.

Ms. Morgan then conducted a roundtable discussion on Fiscal Control and Internal Auditing Act (30 ILCS 10). Conference attendees broke into 4 smaller groups to discuss the Act and provide suggestions for revisions. The conference continued by sharing each group's ideas and comments. Due to a scheduled lunch break the discussion was tabled until after the afternoon presentations.

The second presenter was the Illinois Office of the Auditor General. Mr. Jim Schlouch, Performance Audit Director, Bill Sampias, Information System Audit Director, and Bruce Bullard, Financial and Compliance Audit Director each discussed state audit update information, including revisions to the Audit Guide, Statement on Auditing Standards (SAS) 112, and government security breaches including PCI data security standards.

The final presenter was Jane Stricklin, Executive Director of the Legislative Audit Commission. She discussed duties of the Audit Commission and its composition. She also discussed the process of an audit review and items covered during a Legislative Audit Commission meeting.

To conclude the conference, the roundtable discussion of FCIAA was further discussed and additional ideas and comments were made by attendees regarding needed revisions to the Act.

The second day of the conference adjourned at 3:00 p.m.