

# STATE OF ILLINOIS INTERNAL AUDIT ADVISORY BOARD

Web Address: SIAAB.AUDITS.UILLINOIS.EDU

## MINUTES

**Board Meeting, October 8, 2008**

**10:00 AM**

### Call to Order

The regular meeting of the State Internal Audit Advisory Board (SIAAB) was held on October 8, 2008 at the Capital City Center, Springfield, Illinois, Room 104 with video conferencing available at the JRTC, Chicago, Illinois, Room 9035. Chair Rusti Cummings called the meeting to order at 10:15 a.m. Per Ms. Cummings' request, Mary Ishmael, Office of the Comptroller attended and recorded the minutes.

### Roll Call

#### **Members Present**

- Rusti Cummings, Chair – Office of the Comptroller  
(In Person/CMS Video Conference Room #104 Capital City Center, Springfield)
- Barbara Ringler, Office of the Treasurer  
(In Person/CMS Video Conference Room #104 Capital City Center, Springfield)
- Lesslie Morgan, Office of the Attorney General  
(In Person/CMS Video Conference Room #104 Capital City Center, Springfield)
- Julie Zemaitis, University of Illinois  
(In Person/CMS Video Conference Room #104 Capital City Center, Springfield)

#### **Members Absent**

Carol Kraus, Illinois Office of Internal Audits  
Nancy Bowyer, Office of the Secretary of State  
(Both had emailed Ms. Cummings to inform her that they were unable to attend.)

#### **Guests**

- Mary Ishmael, Office of the Comptroller  
(In Person/CMS Video Conference Room #104 Capital City Center, Springfield)

### Minutes

The minutes for the Regular Meeting September 10, 2008 were reviewed. Ms. Ringler motioned to approve the minutes, Ms. Morgan seconded, and the motion carried.

The minutes for the Special Meeting on September 24, 2008 were reviewed. Ms

Zemaitis motioned to approve the minutes, Ms. Ringler seconded, and the motion carried.

### **Reports/Updates**

#### **CPE Coordinator – Online Peer Review Training Update**

Ms. Morgan reported there were no requests for online training since the last meeting.

#### **Board Committees – Quality Assessment/Subsequent Review**

Ms. Cummings reported that she had distributed the letters for Illinois Office of Internal Audit Peer Review and the State University Retirement System Subsequent Review. Ms. Cummings discussed Governor State University with Mr. Dixon. Ms. Cummings reported that she had talked with Mr. Dixon about the Board's decision and wanted to reiterate his position to the Board before sending the final letter. Mr. Dixon indicated that he had thought his actions had sufficiently complied with the standards but was willing to submit another request for subsequent review if the Board's position was final. The Board agreed to issue the transmittal letter as planned. Governor's State anticipated submitting the request for consideration at the November meeting and wished to complete the subsequent review by December meeting.

Toll Highway's Internal Auditor spoke to several members of the Board at the fall conference concerning their Peer Review. They had inquired with Ms. Morgan about the timetable for conducting a peer review and asked about whether an extension could be granted to agency since they had changes in their Chief Internal Auditor. The Board concluded that standards did not allow an extension because of change in the Chief Internal Auditor. This was consistent with an earlier Board decision reached for another agency.

### **Old Business**

#### **Correction of University Appointment Expiration**

This was tabled since Ms. Kraus had been unable to attend.

#### **Fall Training Conference**

Ms. Morgan inquired about how the Board wished to handle conference participants' continuing education certificates for individuals who were not present for the entire session. The attendance is documented with a registration check-in sheet upon arrival in the morning. There is also morning and afternoon sign in sheets. It was decided that if someone missed a significant portion of the 50 minute CPE credit hour the appropriate amount of time would be deducted from their total hours earned. Ms. Morgan will contact chief internal auditors to confirm the specifics for those participants who had not attended the full meeting and adjust their certificates accordingly. It was suggested that future conferences use sign in and out time sheets to record the specific times so that certificates can be adjusted accordingly. Ms. Morgan indicated that all certificates would be sent to the respective Chief Internal Auditor to distribute to their staff. In the past she

had sent the certificates directly to the individuals.

To avoid Ms. Morgan signing her own certificate, Ms. Cummings signed Ms. Morgan's certificate at the meeting.

There were six individuals who had been registered for the second day but did not attend. Since the conference fee was rounded to the next \$5 multiple, there is sufficient funds to cover the meal costs associated with these "no shows". The Board had not communicated a policy regarding the payment of "no-shows". Therefore, Ms. Cummings suggested that the fees be waived in consideration for the state's current fiscal condition. The Board members agreed that the fee could be waived this year and suggested that a policy be communicated in the materials next year.

Ms. Cummings distributed Fall Training Conference October 6<sup>th</sup> Survey Summary for discussion. She had not had a chance to complete the Summary for the October 7<sup>th</sup> training. The comments on the speakers and their topics were well received. Most people found them interesting and helpful.

Due to the state's fiscal condition, Ms. Cummings included a question on the survey to ask whether the participants would prefer to eliminate the lunch and offer the course for free. The responses overwhelming indicated that the participants wanted to continue lunch to offer a time to talk with each other and also to ensure personnel could return to class on time. It was also suggested that ice water and more tea should be provided.

### **Fiscal Control and Internal Auditing Guidelines**

Ms. Cummings distributed her informal notes from the conference roundtable which discussed the Fiscal Control and Internal Auditing Act guidance. The roundtable had offered some insight into the audit communities existing internal control assessment processes and some constructive suggestions. This will be pursued further by Ms. Kraus and Ms. Cummings.

### **New Business**

A short discussion was held concerning Tool 19. Ms. Zemaitis explained that the entire Tool 19 was included in the materials she had distributed to Board members. It is a summary tool to support the opinion issued for the Self Assessment / External Review. Ms. Zemaitis and Ms. Morgan discussed revising Tool 19 to include weighting to reflect that some standards are more significant to the audit department's function. It was also discussed that additional sections would be needed to include the Fiscal Control and Internal Auditing Act, specific Institute of Internal Audit Practice Advisories adopted by the Board, and specific Governmental Accounting Office Standards adopted by the Board. Ms. Zemaitis offered to draft a document for the Board to consider that would include these additional parts. Each member was requested to consider what weighting they believed to be appropriate for each standard for discussion at our next meeting.

### **Announcements**

The next regular meeting will be held November 12, 2008 – 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 9035 has been reserved.

### **Adjournment**

A motion to adjourn the Regular Session was made by Ms. Morgan and seconded by Ms. Zemaitis. Motion passed and meeting was adjourned at 12:10 pm.

**Performance Committee** - no business at this time.

**Executive Committee** – no business at this time.