

STATE OF ILLINOIS INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

**Board Meeting, June 19, 2009
10:30 AM**

Call to Order

The regularly scheduled State Internal Audit Advisory Board (SIAAB) meeting for June 10 was rescheduled for June 19, 2009. The meeting was held in Room 715 of the Stratton Office Building, Springfield, Illinois with video conferencing available at the JRTC, Room 9035, Chicago, Illinois. The 10:30 a.m. start time was delayed due to a Board member in transit. Chair Carol Kraus called the meeting to order at 11:15 a.m. Per Ms. Kraus' request, Jewel Bishop, Illinois Office of Internal Audit attended and recorded the minutes.

Roll Call

Members Present

Carol Kraus (Chair), Illinois Office of Internal Audit – Springfield
Julie Zemaitis (Vice Chair), University of Illinois – Springfield
Lesslie Morgan, Office of the Attorney General – Springfield
Nancy Bowyer, Office of the Secretary of State – Chicago

Members Absent

Rusti Cummings, Office of the Comptroller
Barbara Ringler, Office of the Treasurer

Minutes

The revised minutes for the March 11, 2009 meeting were reviewed and revised as follows:

1. "Subsequent Reviews" section, 3rd paragraph, 2nd sentence: delete the wording "U of I and" before "Toll Highway Authority").

Ms. Morgan motioned to approve the minutes with changes. Ms. Bowyer seconded, and the motion carried.

The minutes for the May 13, 2009 were reviewed and revised as follows:

1. "Quality Assessment/Subsequent Review", page 2, 1st paragraph, 1st sentence: add the wording "Office of the Comptroller" after "Toll Highway Authority.
2. "Quality Assessment/Subsequent Review", page 2, 1st paragraph, 1st sentence: add the wording "(second Quality Assessment review)" after "University of Illinois."

Ms. Zemaitis motioned to approve the minutes with changes. Ms. Bowyer seconded, and the motion carried.

Reports/Updates

CPE Coordinator

Ms. Morgan reported that the on-line training course has been updated and was sent to Board members for their review on June 10, 2009. The updated on-line training course needs to be finalized at the July meeting. Upon Board approval, internal audit offices will be notified that the updated course is available.

Board Committees – Quality Assessment/Subsequent Review

Reviews for the Toll Highway Authority, Secretary of State and University of Illinois (second Quality Assessment review) are still in progress.

The Board discussed when quality assessment reviews would be conducted using the new standards. The new standards need to be in use for one year before a review is conducted using the new standards. Until reviews are conducted using the new standards, peer review reports should contain the statement: "This review was conducted using standards in effect during the review period." Ms. Morgan will contact the IIA to clarify.

The Board also discussed the fact that the Secretary of State's review has not be finalized because of the change in Chief Internal Auditors and the information is not available to finalize the report for issuance by the Board. Since the review was conducted under the old standards, it was determined that the Secretary of State's quality assessment should be tabled rather than try to resolve issues for a report that is two years old and conducted using the old standards. The Chief Internal Auditor for the Secretary of State should request a new external assessment during calendar year 2010.

Old Business

Fiscal Control and Internal Auditing Guidelines – Due to Ms. Cummings absence, this item was deferred to the July meeting.

Peer Review Process and Documentation

Ms. Morgan stated that she sent the Quality Assurance Matrix (Matrix) to Board Members for their review and comment on June 11, 2009. The Matrix needs to be finalized at the August meeting.

SIAAB Fall Conference

Board members discussed sessions/speakers for the Fall Conference to be held November 5 and 6, 2009 at the Department of Natural Resources Building located on the State Fairgrounds. Proposed topics so far are:

- Fraud Prevention and Detection (Carol Kraus – 45 minutes)
- New IIA Standards (Julie Zemaitis – 30 minutes)
- Performance Measures

- Overview of GASB Changes (30 minutes)
- ARRA
- Breakout session for Universities (possible ARRA related)

The possibility of having speakers from the Office of the Comptroller, Office of the Auditor General and Federal agencies (e.g., GAO or NIH) was also discussed. Ms. Kraus will contact the Comptroller and Auditor General Offices and Ms. Zemaitis will contact NIH to see if speakers would be available.

New Business

New Business items were deferred to the July meeting.

Announcements

The next regular meeting will be held July 8, 2009 – 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, Room 9035 of the JRTC has been reserved.

Adjournment

A motion to adjourn the Regular Session was made by Ms. Bowyer and seconded by Ms. Zemaitis. Motion passed and the meeting was adjourned at 12:00 noon.

Performance Committee

There was no Performance Committee business at this time.

Executive Committee

There was no Executive Committee business at this time.