

STATE OF ILLINOIS

INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting, October 23, 2009

10:00 AM

Call to Order

The October 23, 2009 meeting of the State Internal Audit Advisory Board (SIAAB) was held at the Capital City Center, Room 104, Springfield, Illinois, with video conferencing available at the JRTC, Room 9035, Chicago, Illinois. Ms. Kraus, Chair, was absent and the meeting was called to order by Ms. Zemaitis, Vice Chair, at 10:10 a.m. Jewel Bishop, Illinois Office of Internal Audit attended and recorded the minutes.

Roll Call

Members Present

Julie Zemaitis (Vice Chair), University of Illinois – Springfield
Barb Ringler, Office of the Treasurer – Springfield
Lesslie Morgan, Office of the Attorney General – Springfield
Nancy Bowyer, Office of the Secretary of State – Chicago
Rusti Cummings, Office of the Comptroller – Springfield

Absent

Carol Kraus (Chair), Illinois Office of Internal Audit

Minutes

The minutes for the September 9, 2009 meeting were reviewed. Ms. Cummings motioned to approve the minutes with no changes, Ms. Morgan seconded, and the motion carried.

Reports/Updates

CPE Coordinator – Online Peer Review Training Update

Ms. Morgan reported that only one person that had signed-up for the on-line training has not yet taken the training. Since last reported in September, ten individuals have completed the revised course and CPE certificates have been issued.

Ms. Morgan also reported that she had received an inquiry from Danielle Schultz, Internal Audit Director, Northern Illinois University (NIU) regarding the change in the CPE requirements implemented by the SIAAB effective January 1, 2008.

Ms. Schultz had found reference to the changes in the September 12, 2007 SIAAB meeting minutes and was requesting a copy of the notice that was to have been sent to all agency audit directors informing them of the change in the CPE requirements. Ms. Schultz recently took over as Audit Director at NIU and was not aware of this change. Ms. Schultz had contacted NIU's prior Internal

Audit Director concerning the change in CPE requirements, and she indicated she did not “recall receiving any notification of such changes.”

Ms. Morgan presented copies of Board minutes and related emails which show the change in the CPE requirements were finalized and approved by the Board at its October 10, 2007 meeting and were presented to audit managers at the 2007 SIAAB Fall Conference on October 15, 2007. The 2007 Fall Conference was held only a short time after the October 10, 2007 SIAAB meeting, so the information was communicated to audit managers at that time instead of in a letter. While the previous Audit Director of NIU did not attend this conference, she had sent a representative, so this information had been communicated to NIU.

Ms. Morgan communicated all of the above to Ms. Schultz via an email on October 21, 2009. Ms. Schultz responded back by email on October 21, 2009 and thanked Ms. Morgan for the additional information and indicated that she would review the information and call to discuss further. The Board agreed with Ms. Morgan on how the request for information was handled. Audit managers have a professional responsibility to check the SIAAB and IIA websites and to attend conferences so they can learn of changes in practices and standards.

Ms. Morgan informed the Board that she has submitted the renewal for the Board’s license to issue CPE hours to the Illinois Department of Financial and Professional Regulations.

Quality Assessment/Subsequent Review

This item was deferred until the November 4, 2009 meeting.

Fall Conference

Agenda

The Board discussed the proposed agenda for the conference. Ms. Cummings informed the Board that Scott Reeser from the Comptroller’s Office would be unable to present a session on GAAP. After discussion it was decided to present a roundtable discussion entitled – Current Audit Issues. This discussion will include the following topics: FCIAA changes (in regards to SB 51 – have handout), Quality Assessment Matrix, Internal Quality Assessment, unusual external audit findings, resource restrictions, ongoing/periodic Quality Assessments, and training CPE. Ms. Morgan agreed to be the facilitator for the session. The revised proposed conference agenda is appended to the minutes.

Ms. Zemaitis will send an email to scheduled speakers, with the exception of speaker from Attorney General’s Office, to confirm their presentation and to request a copy of their bio and a course description.

Ms. Morgan will be responsible for daily sign-in sheets at the conference to be used in conjunction with issuing CPE certificates. Fulltime attendance at the conference will be worth 10 hours of CPE.

Peer Review Process and Documentation

Ms. Morgan sent an email on September 18 to all chief auditors informing them that the Revised Quality Assurance Matrix is now available.

New Business

Update of SIAAB Bylaws – Ms. Morgan asked if Board members had reviewed the updated Bylaws for required changes. Ms. Cummings had reviewed the Bylaws and will email Ms. Morgan her suggested revisions. No other Board member had reviewed the Bylaws. Ms. Morgan will email the updated version of the Bylaws to Board members for their review. This item was deferred until the next meeting.

Announcements

The next regular meeting is scheduled for November 4, 2009.

Adjournment

Motion to adjourn the regular session of the Board meeting was made by Ms. Morgan, seconded by Ms. Ringler and the motion was carried. The regular session was adjourned at 12:00 noon.

Performance Committee

Deferred to November 4, 2009 meeting.

Executive Committee

Deferred to November 4, 2009 meeting.

November 5

8:00 am–8:30 am	Registration/Sign In
8:30 am–8:40 am	Opening Remarks (Carol Kraus)
8:40 am–9:30 am	Fraud Prevention & Detection (Carol Kraus)
9:30 am–10:20 am	New IIA Standards (Julie Zemaitis)
10:20 am–10:40 am	Break
10:40 am–11:30 am	Performance Measures (Joan Small)
11:30 am–12:20 pm	Overview of GASB Changes (Crowe Horwath)
12:20 pm–12:30 pm	Announcements
12:30 pm–1:30 pm	Lunch
1:30 pm–3:00 pm	American Reinvestment & Recovery Act (Carol Kraus)
3:00 pm–3:20 pm	Break
3:20 pm–4:30 pm	Round Tables – GASB, ARRA, Performance Measures
4:30 pm	Evaluation, Wrap-up and Adjournment

November 6

8:00 am–8:30 am	Registration/Sign In	
8:30 am–8:40 am	Opening Remarks	
8:40 am–9:20 am	University Break-out Session - LAC Guidelines Roundtable (Julie Zemaitis)	Other Break-out Session - Current Audit Issues Roundtable (Lesslie Morgan)
9:20 am–10:10 am	University Break-out Session - Ethics (Donna McNeely)	Other Break-out Session - Ethics (Michael Luke)
10:10 am–10:30 am	Break	
10:30 am–12:00 noon	Freedom of Information Act (Michael Luke)	
12:00 noon–12:15 pm	Announcements	
12:15 pm–1:15 pm	Lunch	
1:15 pm–2:10 pm	Unknown presentation	
2:10 pm–3:00 pm	Closing Remarks, Evaluation and Adjournment	