

STATE OF ILLINOIS INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting, November 6, 2009

12:00 Noon

Call to Order

Due to the fact that a quorum was not present, the November 4, 2009 meeting of the State Internal Audit Advisory Board (SIAAB) was rescheduled for November 6, 2009. Carol Kraus, Chair, informed the Board that she was no longer the Chief Internal Auditor for the Illinois Office of Internal Audit and, therefore stepped down as Chair of the Board. Ms. Kraus has taken the position of Chief Accountability Officer and Ms. Debbie Abbott will replace her as Chief Internal Auditor.

The November 6, 2009 meeting of the State Internal Audit Advisory Board (SIAAB) was held at the President Abraham Lincoln Hotel & Conference Center, 701 East Adams Street, Springfield, Illinois. The meeting was called to order by Julie Zemaitis, Acting Chair, at 12:20 p.m. Jewel Bishop, Illinois Office of Internal Audit attended and recorded the minutes.

Roll Call

Members Present

Julie Zemaitis (Acting Chair), University of Illinois – Springfield
Barb Ringler, Office of the Treasurer – Springfield
Lesslie Morgan, Office of the Attorney General – Springfield
Rusti Cummings, Office of the Comptroller – Springfield
Debbie Abbott, Illinois Office of Internal Audit – Springfield

Absent

Nancy Bowyer, Office of the Secretary of State

Election of Chair

Since Carol Kraus is no longer a member of the Board, her position of Chair is vacant. Ms. Morgan made a motion to elect Julie Zemaitis, Vice Chair, as Chair to fill the remainder of Ms. Kraus' term. Ms. Ringler seconded and the motion carried.

Election of Vice Chair to Fill Vacant Position

Upon Ms. Zemaitis's election as Board Chair, her position of Vice Chair became vacant. The Board's Bylaws do not specify how to fill a vacancy in the position of Vice Chair. Motion was made by Ms. Cummings to amend the Bylaws, Article I, Section III, 3.2, Election of Officers with the following language: "If the Chair becomes unable to perform his/her duties or no longer holds a position that would allow him/her to continue to serve on the Board, the Vice Chair shall

serve as the Acting chair until the next Board meeting, at which time an election shall be held to fulfill the remainder of the Chair and Vice Chair's original term.”

Minutes

The minutes for the October 23, 2009 meeting were reviewed and revisions made as follows:

1. CPE Coordinator – Online Peer Review Training Update, third paragraph. Change the date “September 17, 2007” to “September 12, 2007.”
2. CPE Coordinator – Online Peer Review Training Update, replace the fourth and fifth paragraphs with the following:

“Ms. Morgan presented copies of Board minutes and related emails which showed 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. Cummings made a motion to approve the minutes with changes, Ms. Ringler seconded, and the motion carried.

Reports/Updates

CPE Coordinator – Online Peer Review Training Update

Ms. Morgan reported that there was still one person signed-up for the on-line training that had not yet taken the training. She also reported that no one else had taken the revised training course since reported at the October meeting.

Ms. Morgan received an inquiry from Ariana Juapi of the Illinois State Toll Highway Authority as to whether taking the revised on-line training course would count towards CPE, if CPE had already been received for taking the original course. After discussion, it was decided that Ms. Morgan will send an email to all Audit Managers reminding them that taking the revised course will count towards CPE.

Ms. Morgan also reported that she had received a telephone call on October 26, 2009 from Ms. Schultz, Chief Internal Auditor of Northern Illinois University as a follow-up to her correspondence with Ms. Morgan concerning CPE hours. After discussing, Ms. Schultz agreed that the Board had appropriately communicated the change in the CPE requirements.

Ms. Schultz had one additional question. Does the annual ethics training that is required by the State qualify for CPE credit, even though we don't receive "official" CPE? Ms. Morgan informed Ms. Schultz that "unless the entity was registered with the Illinois Department of Financial and Professional Regulation or the NASBA National Registry as a CPE sponsor, the hours would not be included in the calculation of qualified CPE training required by the Board."

Ms. Morgan reported that CPE certificates for the Fall Conference were distributed at the end of the conference. Ms. Morgan stated that her certificate should only be for 9 hours as she was absent from a portion of a presentation because she was finalizing the certificates. Ms. Ringler also stated that her CPE hours need to be adjusted as she was absent from the conference for a while. Ms. Ringler will send Ms. Morgan an email reporting her adjusted hours so Ms. Morgan can issue her a new certificate.

Quality Assessment/Subsequent Review

Illinois State Toll Highway Authority performance review was performed by Jim Kincaid of the Illinois Office of Internal Audit. This performance review is referred to the Performance Committee.

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 on-line.

There is a need to address in the Bylaws how to handle Performance and Executive Committee member vacancy or when someone abstains from voting and then there is no quorum. Ms. Morgan will check the Bylaws to find out if the CPE Coordinator is a member of the Performance Committee. Ms. Morgan will report to the Board at the December meeting at which time the Board will discuss this issue.

Ms. Zemaitis reported that Nancy Bowyer, Chief Internal Auditor for the Secretary of State's Office decided it would be better to clear-up issues on the Secretary of State's draft Quality Assessment Review Report rather than have a new quality assessment review conducted. Ms. Zemaitis will meet with Ms. Bowyer to discuss the issues in an effort to finalize the quality assessment review.

New Business

Update of SIAAB Bylaws – Ms. Morgan asked if Board members had reviewed the updated Bylaws for required changes. Ms. Cummings and Ms. Zemaitis had reviewed the Bylaws and provided suggested changes to Ms. Morgan. Ms. Morgan will email the updated version of the Bylaws to Board members for their review. This item was deferred until the next meeting.

The Board asked Jewel Bishop to prepare a proposed meeting schedule for calendar year 2010 and present it at the December meeting for Board adoption.

Adjournment

Motion to adjourn the regular session of the Board meeting was made by Ms. Morgan, seconded by Ms. Abbott and the motion carried. The meeting was adjourned at 1:15 p.m.

Performance Committee

Lesslie Morgan recommended that the Illinois State Toll Highway's Quality Assessment Review be accepted for approval by the Executive Committee. There were no problems or concerns noted.

Executive Committee

The Executive Committee accepted the Performance Committee's recommendation. Motion to accept the Illinois State Toll Highway's Quality Assessment Review was made by Ms. Cummings. Ms. Morgan seconded and the motion carried with Julie Zemaitis abstaining from voting.

Ms. Cummings will send a letter to the Illinois State Toll Highway Authority (Authority) informing them of the Board's action. Ms. Cummings should include a sentence informing the Authority that Ms. Zemaitis abstained from voting due to a conflict of interest because a member of her staff was part of the team that performed the review.

Announcements

The next regular meeting is scheduled for December 9, 2009.

Adjournment

A motion to adjourn the Regular Session was made by Ms. Morgan, seconded by Ms. Cummings and the motion carried. The meeting was adjourned at 1:20 p.m.