

STATE OF ILLINOIS INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Fall Conference – October 26 & 27, 201

OCTOBER 26, 2010

Registration for the conference began at 8:00 a.m. Opening remarks were made at 8:30 a.m. by Ms. Julie Zemaitis, SIAAB Chair and Executive Director of University Audits at the University of Illinois. Ms. Zemaitis welcomed everyone to the Conference and outlined the agenda and room locations.

The first presenter was Mr. Spenser Staton, Chief Internal Auditor of the Department of Central Management Services. Mr. Staton's presentation on *Senate Bill 51 / Procurement* highlighted the changes in the procurement process from Senate Bill 51.

The second presenter was Ms. Julie O'Brien, Associate Director of the Office of Management and Budget. Ms. O'Brien's presentation on *FFATA Changes and GASB Update* provided information about generally accepted accounting principles with an emphasis on the new GASB standards, and provided an update on the Federal Funding Accountability and Transparency Act.

The third presenter was Ms. Lesslie Morgan, SIAAB Vice Chair and Chief Internal Auditor of the Office of the Attorney General. Ms. Morgan's presentation, *IIA Standards Update*, provided an update on how the new IIA Standards, to be effective January 1, will impact our audit organizations.

After lunch, roundtable discussions were then offered. Mr. Steven Kirk, Chief Internal Auditor of the Illinois Department of Transportation facilitated a Chief Internal Auditors Roundtable discussion, and Mr. Spenser Staton facilitated an Audit Staff Roundtable discussion.

The fourth presenters were Mr. Chris Pyle, Special Agent, and Ms. Dawn Donaho, Forensic Accountant, both of the Federal Bureau of Investigations. Their presentation on *White Collar Crime* provided an overview of the types of white collar crime investigations conducted by the FBI, the role of the Forensic Accountant in these investigations, and multiple examples of investigations conducted by the Springfield Division of the FBI.

The fifth presenter was Mr. Michael Luke, Constituent Services, Office of the Attorney General. Mr. Luke's presentation on *The Freedom of Information Act* provided an overview of the Illinois Freedom of Information Act, including identifying public records, procedures for requesting and responding to requests for records, and exemptions from disclosure and enforcement.

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

OCTOBER 27, 2010

Registration for the second day of the conference began at 8:00 a.m. Opening remarks were made by Ms. Julie Zemaitis at 8:30 a.m.

The first presentation of the day was made by Mr. Josh Budd, Deputy Director – The Illinois Funds & E-Pay, Office of the Illinois State Treasurer. Mr. Budd's presentation on *E-Pay/ PCI Compliance* provided insight into PCI Compliance, hacking statistics, and common gaps that have been observed when establishing data security policies and procedures.

The second presenter was Ms. Lesslie Morgan. Ms. Morgan's presentation, *QAR Process Refresher*, focused on similarities between the IIA's quality assurance process and that of the SIAAB, which also must take into consideration FCIAA requirements. Lessons learned from the calendar year 2006 cycle of external quality assurances, as well as new guidelines, were presented to assist in preparing for the calendar year 2011 cycle. The agenda was revised to reflect a 2-hour presentation on the *QAR Process Refresher*.

After lunch, the third presenter was Ms. Julie Zemaitis. Ms. Zemaitis' presentation, *Governance & Risk Assessment Standards: History of Change & How to Incorporate Into Audit Plan*, provided background history of the development of the government and risk assessment IIA Standards, and the rationale and importance for their incorporation into the Standards, including the global chain of events in the financial realm that drove these additions, and practical ways to incorporate these requirements into the audit plan. The agenda was revised to reflect a 30-minute presentation on this topic.

Roundtable discussions were then offered. Mr. Dan O'Nan, PMP Program Manager, Enterprise Program Management Office for BCCS, facilitated an Agencies Roundtable discussion, and Ms. Julie Zemaitis facilitated a Universities roundtable discussion.

The fourth presenter was Ms. Christine Nielsen, Consumer Fraud, Office of the Attorney General. Ms. Nielsen's presentation, *Identity Protection Act*, covered the newly effective Identity Protection Act, which requires local and state government agencies to create, implement, and maintain an Identity Protection Policy with respect to the collection and use of social security numbers.

The fifth presenter was Mr. Steve Todt, Manager of Reporting and Compliance for the Unclaimed Property Division, Office of the Illinois State Treasurer. Mr. Todt's presentation, *Unclaimed Property*, provided a history of the Illinois Unclaimed Property Program, including information regarding the responsibility of holders of unclaimed property.

Ms. Zemaitis made closing remarks, and the second day of the conference adjourned at 4:30 p.m.