

**STATE OF ILLINOIS**  
**INTERNAL AUDIT ADVISORY BOARD**

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

**MINUTES**

**Board Meeting, April 13, 2011**

**1:00 p.m.**

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**CALL TO ORDER**

The regularly scheduled 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 9-035, Chicago, Illinois. The meeting was called to order at 1:05 p.m. by Lesslie Morgan, Chair.

**ROLL CALL**

**Members Present/Location**

Lesslie Morgan (Chair), Office of the Attorney General – Springfield  
Steve Kirk, Illinois Department of Transportation (Vice-Chair) – Springfield  
Nancy Bowyer, Office of the Secretary of State – Chicago (joined meeting at 1:10 p.m.)  
Nick Barnard, Office of the Treasurer - Springfield  
Spenser Staton, Illinois Department of Central Management Services – Chicago  
Tracy Allen, Office of the Comptroller – Springfield  
Jane Cullen, Illinois Department on Aging - Springfield  
Marcus Dodd, Illinois Department of Employment Security – Chicago  
Lisa Labonte, Illinois Department of Natural Resources – Springfield

**Members Absent**

Doug Hathhorn, Illinois Department of Revenue  
Julie Zemaitis, University of Illinois

**MINUTES**

The March 9, 2011, meeting minutes were reviewed and revisions made as follows:

Page 2, FOIA Officer Update – second paragraph first sentence, changed “provide” to “provided”  
Page 4, Old Business – Records Retention Policy – second sentence, changed “state” to “stated” and add new sentence immediately following the second sentence: Mr. Staton stated that he would also check on the SIAAB Record Retention Policy that is currently in place.

A motion was made by Mr. Dodd to accept the March 9, 2011, minutes as amended and Mr. Barnard seconded. The motion carried unanimously.

## **REPORTS AND UPDATES**

### **CPE Coordinator – On-line Quality Assurance Review Training Update**

Ms. Morgan reported that as of the April meeting, seven individuals had taken the 2010 version of the on-line training course and two individuals had taken the 2011 version of the course.

### **FOIA Officer Update –**

Mr. Barnard reported that he was not aware of any FOIA requests that were received, however, Ms. Morgan reported that a request was received on March 15, 2011 for the list of individuals who had successfully completed the most recent SIAAB online Quality Assurance Review Training Program. Ms. Morgan forwarded the list to Ms. Ringler on March 16, 2011. Ms. Ringler responded that she would respond to the request that same day.

### **Quality Assurance Coordinator / Assistant Quality Assurance Coordinator –**

Ms. Morgan reported that she received five QAR Team Approval Forms which were provided to the Board for discussion. The QAR Team Approval Forms, along with respective independence forms, confidentiality forms, and resumes were as follows:

1. QAR Team Approval Form from Kenneth Clow, Chicago State University, proposing a Self-Assessment with Independent Validation with Kimberly Labonte, CPA, Chief Internal Auditor from Southern Illinois University and Mike Sartorius, Internal Auditor from Western Illinois University serving as the independent external validators.

Mr. Dodd made a motion to accept the QAR Team for the Chicago State University and Mr. Staton seconded. The motion carried unanimously.

2. QAR Team Approval Form from Robert Blemler, Illinois State University, proposing a Self-Assessment with Independent Validation with Kenneth Clow, Chief Internal Auditor from Chicago State University as the independent external validator.

Mr. Staton made a motion to accept the QAR Team for the Illinois State University and Mr. Kirk seconded. The motion carried unanimously.

3. QAR Team Approval Form from Nancy Bowyer, Secretary of State, proposing a Self-Assessment with Independent Validation with Frederick Lehrman, CPA serving as the independent external validator.

Ms. Cullen made a motion to accept the QAR Team for Secretary of State. Mr. Staton seconded. The motion carried unanimously.

4. QAR Team Approval Form from Larry Stone, State Employees Retirement Systems, proposing a Self-Assessment with Independent Validation with Stacy Smith, CPA from Teachers Retirement Systems serving as the independent external validator.

Ms. Labonte made a motion to accept the QAR Team for Secretary of State. Mr. Allen seconded. The motion carried unanimously.

5. QAR Team Approval Form from Steve Hayward, State Universities Retirement Systems, proposing a Self-Assessment with Independent Validation with Larry Stone, State Employees Retirement Systems serving as the independent external validator.

Ms. Morgan indicated that the Mr. Stone had not completed the 2010 SIAAB Quality Assurance Review Course as of the meeting.

Mr. Barnard made a motion to accept the QAR Team for State Universities Retirement Systems contingent upon reviewer's completion of the SIAAB's 2010 Quality Assurance Review Course. Ms. Cullen seconded. The motion carried unanimously.

Ms. Morgan reported that the following two Chief Internal Auditors/Managers responded that they would be willing to serve as Special Assistant Coordinators:

- Anita Geter, Chief Internal Auditor – Illinois Student Assistance Commission
- Steve Hayward, Chief Internal Auditor – State Universities Retirement Systems

As of the meeting, Steve Hayward had successfully completed the SIAAB's 2010 Quality Assurance Review Online Training Course. Ms. Geter was in the process of registering for the SIAAB's 2010 Quality Assurance Review Online Training Course as of the meeting. Further, both were informed that they may also be required to complete the 2011 version of the course in the event that an internal audit organization chose to complete a EQA/SAIV using the 2011 version of the Standards.

Ms. Labonte motioned to approve Steve Hayward as the Special Assistant Coordinators and Anita Geter contingent upon her completion of the Boards Quality Assurance Review Online Training Course. Mr. Allen seconded. The motion carried unanimously.

## **OLD BUSINESS**

### **Records Retention Policy –**

Mr. Staton stated that he was able to locate the SIAAB Record Retention Policy dated March 1995 from CMS. The Record Retention Policy required that records to be kept two years then transferred off to the State Archives. The Board discussed whether the current application should be revised.

Further discussion was tabled until the May 2011 meeting.

**Quality Assurance Review Online Training Course -**

Ms. Morgan reported that the 2011 version of the course was provided to Ms. Labonte, Ms. Cullen, Mr. Dodd, Ms. Zemaitis, Ms. Ringler or Mr. Barnard, and Ms. Morgan by the Webmaster on March 30, 2011. Ms. Morgan stated that Ms. Cullen, Mr. Dodd, and Ms. Zemaitis had completed the course and that she received comments back from Ms. Zemaitis that were posted to the course. Ms. Labonte stated that she was partially through the course and believed that the course overall was good. Ms. Cullen stated that she did not receive a notice that she had finished the course until the Webmaster sent her a notice that she had successfully completed the course. Ms. Cullen asked if there could be a message that is received immediately at the end of the course to notify the user that they had completed the course. Ms. Morgan stated that she would bring this to the Webmaster's attention.

Mr. Staton motioned that the 2011 SIAAB Quality Assurance Review Online Training Course be approved for rollout prior to the May 2011 meeting contingent upon completion of the course by Ms. Labonte and Ms. Ringler. Ms. Cullen seconded. The motion carried unanimously.

**Proposed Revisions to Open Meetings Act –**

Ms. Morgan stated that as of the meeting, the HB 1277 had been passed by the House and sent to the Senate on March 9, 2011 and was referred to the Assignment Committee.

**Guidance Coordinator –**

Ms. Morgan stated that with the Board's revision to the SIAAB Bylaws to add the Guidance Coordinator the Board should take action on appointing an individual to serve in that capacity. Mr. Staton motioned that Steve Kirk serve as Guidance Coordinator for a one year term. Mr. Dodd seconded the motion. The motion carried unanimously.

**SIAAB Annual Training Conference –**

Ms. Morgan reported that she had discussed the Annual Government Conference with the IIA's Vice President and had learned that there were three potential dates in September, October, and November that may be available from IIA to co-host the 2011 SIAAB Government Conference. Ms. Labonte asked about whether the Board should continue to work through IIA Springfield Chapter to co-host the event. Mr. Staton stated that he believed it to be beneficial for both the Board and IIA's Springfield Chapter to do so.

Mr. Kirk stated that he believed it was important to keep the SIAAB Government Conference's focus on State governmental accounting and auditing topics rather than on general accounting and auditing topics such as report writing.

Further discussion was tabled until the May 2011 meeting.

## **NEW BUSINESS**

### **Quality Assurance Report Template – 2011 Standards**

Ms. Morgan stated that the Quality Assurance Report Template for 2010 had been revised to reflect the changes in the IIA's Standards effective for January 1, 2011. Mr. Staton stated that he had not had sufficient time to review the template and asked if there were any external quality assurance reviews that were waiting on the template to complete their reviews. Ms. Morgan stated that there were two internal audit organizations, hers and another, that had indicated that they would be using the 2011 version of the standards. However neither of these would be completed before the May 2011 meeting. Mr. Kirk and Mr. Staton asked the Board to table the discussion to allow further time to review the proposed template revision.

Further discussion was tabled until the May 2011 meeting.

### **Other Business –**

Ms. Morgan requested and obtained the annual Independence Disclosure Forms and the Confidentiality Statements from both Nick Barnard and from Lisa Labonte.

## **ANNOUNCEMENTS**

The next regular meeting will be May 23, 2011, at 1:00 p.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 9-035 of the JRTC has been reserved.

## **ADJOURNMENT**

A motion to adjourn the regular meeting was made by Mr. Kirk and seconded by Mr. Staton. The motion carried unanimously and the meeting was adjourned at 2:30 p.m.