

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

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

**MINUTES**

**Board Meeting, May 23, 2011**

**1:00 p.m.**

---

**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  
Tracy Allen, Office of the Comptroller – Springfield  
Nancy Bowyer, Office of the Secretary of State – Chicago (Joined meeting at 1:10 p.m.)  
Jane Cullen, Illinois Department on Aging - Springfield  
Marcus Dodd, Illinois Department of Employment Security – Chicago  
Doug Hathhorn, Illinois Department of Revenue - Springfield  
Lisa Labonte, Illinois Department of Natural Resources – Springfield  
Barbara Ringler, Office of the Treasurer - Springfield  
Spenser Staton, Illinois Department of Central Management Services – Chicago  
Julie Zemaitis, University of Illinois – Springfield (Joined meeting at 1:17 p.m.)

**Members Absent**

Steve Kirk, Illinois Department of Transportation (Vice-Chair)

**MINUTES**

The April 13, 2011, meeting minutes were discussed and revisions made as follows:

Page 1, Roll Call Member, changed from “Illinois Department of Aging” to “Illinois Department on Aging”

Page 2, Reports and Updates, CPE Coordinator – On-line Quality Assurance Review Training Update, changed from “that the as of the April meeting” to “that as of the April meeting.”

Page 2, Reports and Updates, Quality Assurance Coordinator/Assistant Quality Assurance Coordinator last line first paragraph under section #1, changed from “validator” to “validators.”

Page 3, Old Business, Records Retention Policy – second sentence, changed from “than” to “then.”

Page 5, New Business, Quality Assurance Report Template – 2011 Standards, changed second sentence from “...and if there...”, to “...and asked if there...”; third sentence changed “another” to “another,” and added a period immediately following “standards.” Created a new fourth sentence of “However neither of these would be completed before the May 2011 meeting.”

A motion was made by Mr. Staton to accept the April 13, 2011, minutes as amended and Mr. Allen seconded. The motion carried unanimously.

## **REPORTS AND UPDATES**

### **CPE Coordinator –**

Ms. Morgan reported that as of the May meeting, one individual had taken the 2010 version of the on-line training course and three individuals had taken the 2011 version of the course. There were no current registrants for the 2010 version and five registrants for the 2011 version. Ms. Morgan stated pursuant to the Board’s decision during its April 13, 2011 meeting, she was forwarding a list of individuals who had completed the 2010 and 2011 On-line Quality Assurance Review Training Course to the Board’s webmaster when CPE certificates were awarded.

### **FOIA Officer –**

Ms. Ringler reported that she had not received any FOIA requests since the last meeting.

### **Guidance Coordinator –**

Due to the absence of Mr. Kirk, a report was not provided.

### **Proposed Revisions to Open Meetings Act –**

Ms. Morgan reported that HB 1277 was passed by the Senate on May 17, 2011 and is awaiting the Governor’s signature.

## **OLD BUSINESS**

### **SIAAB ‘s Records Retention Policy –**

Ms. Morgan stated that the Board had developed a SIAAB Public Records Management Tool describing its public records which was posted on the Board’s website by the former FOIA Officer during 2010 pursuant to the Freedom of Information Act (5 ILCS 140/3.5). Ms. Morgan stated that Section 7f – CPE Awarded should be updated to reflect that this category of information is now immediately available on the Board’s website. Ms. Ringler stated that she would communicate this to the webmaster.

A motion was made by Mr. Dodd and seconded by Ms. Labonte to revise the SIAAB Public Records Management Tool Section 7f – CPE Awarded. The motion carried unanimously.

Further discussion on revising the SIAAB’s State Record’s Act Retention Policy was tabled until the June 2011 meeting.

### **SIAAB's Annual Training Conference –**

Ms. Ringler reported that since the April 2011 meeting she had worked with IIA's Vice-President to identify September 27, 2011 and September 28, 2011 as the Annual Government Auditing Conference dates. Ms. Ringler distributed a packet with information on meeting rooms for regular sessions and break-out sessions, lodging requirements based upon the state rate, and menu selections. The Board discussed the information provided along with potential topics and break-out sessions for the two-day training event.

Ms. Morgan asked if there had been any notice provided to the Internal Audit Organizations about the Annual Government Auditing Conference dates. Ms. Ringler stated that there had not been as of the meeting, but she planned on doing so before the June 2011 meeting. Ms. Zemaitis stated that she also would ask that the Board's webmaster to post a notice on the Board's website.

Further discussion was tabled until the June 2011 meeting.

### **Quality Assurance Training Course - 2011 Standards/CPE**

Ms. Morgan reported that the 2011 version of the Quality Assurance Review Training Course had been rolled out on the SIAAB's website on April 24, 2011 following the completion of the training course by Ms. Labonte and Ms. Ringler. The number of CPE hours earned for successfully completing the 2011 course remained at 4 CPE hours based upon the comments received from multiple reviewers. Both Ms. Labonte and Ms. Zemaitis stated that the four CPE hours was consistent with the time that was spent on taking the course.

Ms. Morgan requested that the Board considered approving 8 CPE hours for the time that she took to prepare/update the 2011 Quality Assurance Training Course. A motion to award 8 CPE hours to Ms. Morgan for developing and updating the SIAAB's Quality Assurance Training Course for the 2011 Standards was made by Ms. Labonte and seconded by Ms. Zemaitis. The motion carried unanimously.

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

Ms. Morgan stated that the Quality Assurance Report Template – 2011 Standards was pending approval by the Board. Ms. Labonte inquired about the basis used for the opinion rendered on the first page of the report template and Ms. Morgan responded that the opinion for SAIV's was signed by both the Chief Internal Auditor and the validator. Ms. Labonte questioned whether the Board should be rendering an opinion after the validator had concluded on the report.

Ms. Morgan stated that the Board's process has been in place since the 2006 cycle and that oversight was pursuant to the Fiscal Control and Internal Auditing Act. Mr. Staton asked how the validator's opinion was determined. Ms. Morgan referred Mr. Staton to pages 2 and 3 of the report template which includes the IIA's basis for the determination of "Generally Conforms", "Partially Conforms", or "Does Not Conforms" with the IIA Standards. A sentence was added to each of the three opinions types to include a determination on compliance with FCIAA.

Ms. Zemaitis stated that the Board had a responsibility to promulgate standards for which each State internal audit organization was required to adhere to and coordinate the peer review (quality assurance) of state internal audit organization. The Board's determination to accept or not accept the opinions reached during the quality assurance reviews was pursuant to FCIAA and ensured accountability.

A motion was made by Ms. Ringler and seconded by Ms. Zemaitis to approve the Quality Assurance Report Template – 2011 Standards. The motion carried with 9 members voting yes and 1 member voting no.

#### **Quality Assurance Reviews –**

Ms. Morgan reported that two QAR Team Approval Forms were received since the April meeting and 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 Anita Geter, Illinois Student Assistance Commission, proposing a Self-Assessment with Independent Validation with George Shemo serving as the independent external validator.

Ms. Labonte made a motion to accept the QAR Team for the Illinois Student Assistance Commission contingent upon the reviewer's completion of the SIAAB's 2011 Quality Assurance Review Course. Ms. Cullen seconded. The motion carried unanimously.

2. QAR Team Approval Form from Barbara Ringler, Illinois Treasurer's Office, proposing a Self-Assessment with Independent Validation with Stacy Smith, State Teachers Retirement Systems serving as the independent external validator. Ms. Morgan stated that Ms. Smith had successfully completed the SIAAB's 2011 Quality Assurance Review Course.

Mr. Staton made a motion to accept the QAR Team for the Illinois Office of Treasurer. Mr. Dodd seconded. The motion carried unanimously.

Ms. Morgan reported that as of the May meeting ISU, NIU and SIU's quality assurance reviews had been received by the Assistant Quality Assurance Coordinator and assigned on May 20, 2011 to Assistant Quality Assurance Coordinators.

#### **NEW BUSINESS**

##### **Discussion on Implementing PA96-1473 Public Comments –**

Ms. Morgan stated that the Board will need to consider implementing PA 96-1473 pertaining to Public Comments. Ms. Ringler stated that the Board should consider adopting an amendment to the SIAAB Bylaws to incorporate a reasonable time limit for public comments. Ms. Ringler stated that she would draft a proposed revision for the Board's review at its June 2011 meeting.

**Other Business –**

Ms. Morgan requested and obtained the annual Independent Disclosure Forms and the Confidentiality Statements from Mr. Hathhorn.

**ANNOUNCEMENTS**

The next regular meeting will be June 15, 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 Ms. Cullen and seconded by Mr. Hathhorn. The motion carried unanimously and the meeting was adjourned at 2:55 p.m.