

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting, January 11, 2012

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 2-201, 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, (Vice-Chair) Illinois Department of Transportation– Springfield
Nancy Bowyer, Office of the Secretary of State - Chicago (Arrived at 1:16 pm)
Barb Ringler, 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
Doug Hathorn, Illinois Department of Revenue – Springfield
Lisa LaBonte, Illinois Department of Natural Resources – Springfield
Julie Zemaitis, University of Illinois - Springfield

Members Absent

N/A

Non-Members Present

N/A

MINUTES

The December 14, 2011, meeting minutes were presented to the Board for discussion and approval. A motion was made by Ms. Zemaitis and seconded by Ms. Ringler to accept the December 14, 2011 meeting minutes as amended. The motion carried unanimously.

REPORTS AND UPDATES

CPE Coordinator –

Ms. Morgan reported that during December 2011, one individual had successfully completed the 2011 version of the SIAAB External Quality Assurance Review Training Course and one individual was registered.

Ms. LaBonte reported that since January 1, 2012 there had been one individual who had successfully completed the 2011 version of the SIAAB External Quality Assurance Review Training Course. Further, the one individual who was registered for the 2011 version of the SIAAB course through December 30, 2011 had requested an extension for completion which was granted through February 29, 2012.

FOIA Officer –

Ms. Ringler and Mr. Staton reported that there were no FOIA requests received since the December 14, 2011 meeting.

Guidance Coordinator –

Mr. Kirk reported that he had not received any request for guidance since the December 14, 2011 meeting.

Ms. Morgan reported that she received an inquiry from a designated State agency [FCIAA's Section 10/1003(a)] asking when the five year term of a Chief Internal Auditor appointment would begin if the appointment occurred after July 1, 2010. FCIAA Section 10/2002(c) states that "the chief internal auditor shall serve a five-year term beginning on the date of the appointment," accordingly, the five-year term appointment would begin on the date of the appointment and would not roll back to July 1, 2010.

Board Appointments –

Mr. Staton provided an updates since the December 14, 2011 meeting, stating that he had contacted the Director of the Governor's Office of Executive Appointments to request that the appointments be made before the February 2012 election of Officers.

OLD BUSINESS

SIAAB's Records Retention Policy –

Ms. Morgan provided a summary of the status of the SIAAB Record Retention Policy matter that had been tabled from the December 14th meeting. Both Ms. LaBonte and Mr. Staton reported that, due to time constraints, they had not been able to meet to discuss the potential changes to the policy. Further discussion was tabled until the February 8th meeting.

Quality Assurance Reviews – Current Reviews and Requests –

Ms. Morgan provided an update on the requests for team approvals and external quality assurance reviews that had been received since the Board's December 14th meeting:

External Quality Assurance Review Reports Released:

- **Illinois Student Assistance Commission** - Ms. Morgan reported that the Illinois Student Assistance Commission's SAIV Report (Based on Standards Effective January 1, 2011) for the Board's discussion was released by Mr. Kirk on December 15, 2011.

External Quality Assurance Review Reports Before the Board for Discussion:

- **Northeastern Illinois University** – Ms. Morgan presented the Northeastern Illinois University's EQA (Based on Standards Effective January 1, 2009) for the Board's discussion. A motion was made by Mr. Dodd and seconded by Mr. Hathhorn to approve the release of the Northeastern Illinois University's EQA Report as amended. The motion carried unanimously.

External Quality Assurance Review Reports In Progress:

- **Illinois Housing Development Authority** - Ms. Morgan reported that since the December 14th meeting, the Illinois Housing Development Authority's SAIV the validator had successfully completed the course. However, a request was received from IHDA to extend the start date of the SAIV to the end of February 2012. The Board discussed the five-year external quality assurance review requirements pertaining to IIA's Attribute Standard 1312 and asked Ms. Morgan to respond to IHDA with the Board's position on the potential impact of the extension on the March 8, 2012 required release date.

External Quality Assurance Reviews Due CY12:

- **Illinois State Board of Education** - No Request for Team Approval Received – EQA Completion Due March 2, 2012.
- **Illinois Office of the Comptroller** - No external quality assurance review has been conducted or initiated since the IIA five-year external quality assurance review requirements became effective on January 1, 2002. EQA completion will be due following the close of FY2012.
- **Illinois Supreme Court** - Although the Supreme Court is not subject to the Board's oversight of its External Quality Assurance process, the Supreme Court's Chief Internal Auditor is responsible for conducting an external quality assurance review pursuant to IIA's Standards if they use the IIA's "Conforms with the International Standards for the Professional Practice of Internal Auditing" within their Internal Audit Charter or reports.

SIAAB 2012 Training –

Ms. LaBonte provided an update on her communication with IIA's Springfield Chapter President on whether the IIA's Small Audit Shop seminar would be feasible given its cost of \$8,200. Ms. Zemaitis volunteered to draft a Continuing Education Assessment of Needs survey for the Board's review at the

February 8th meeting. The survey would be forwarded to the Chief Internal Auditors to determine what types of training is most needed. Further discussion was tabled until the February 8th meeting.

NEW BUSINESS

Other New Business SIAAB 2012 Projects –

The Board discussed list of projects provided by Ms. LaBonte and Mr. Kirk. Mr. Staton asked that each member consider which of the projects should be considered by the Board for the CY2012 year. Further discussion was tabled until the February 8th meeting.

Nominations of Officers –

Ms. Morgan asked the Board for nominations of Officers for the Board's elections to be held at its February 8th meeting. Ms. Ringler motioned that Mr. Kirk be added to the slate of candidates to serve as Chair of the Board and Mr. Staton seconded the motion. Mr. Dodd motioned that Mr. Staton be added to the slate of candidates to serve as Vice Chair of the Board and Ms. Bowyer seconded the motion.

The motions carried unanimously.

CPE/Certifications –

Ms. Morgan reported to the Board that she had received an inquiry from the SIU Chief Internal Auditor about whether the Board accepts CPE for individuals who complete a review program and successfully pass the CPA or CIA examination and if so, how much CPE would be allowed. The Board discussed the variances between the IIA, ISACA, and AICPA/State Requirements for continuing education, along with the current GAO requirements. Mr. Hathhorn volunteered to draft a potential change to the Board's CPE Bylaws. Further discussion was tabled until the February 8th meeting.

ANNOUNCEMENTS

The next regular meeting will be February 8, 2012 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 2-201 of the JRTC has been reserved.

ADJOURNMENT

Ms. Morgan announced that the GAO had issued revised Government Auditing Standards on December 21, 2011. 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 2:59 p.m.