

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Special Meeting of the Board-January 22, 2014

9:00 a.m.

CALL TO ORDER

The Special Meeting of the State Internal Audit Advisory Board (SIAAB) convened at the regularly scheduled meeting of the Financial Reporting Standards Board (FRSB), at the Illinois Office of the Comptroller, 325 W. Adams, Springfield, Illinois. The meeting began at 9:00 a.m.

ROLL CALL

Members Present:

Julie Zemaitis (Chair), University of Illinois
Debbie Abbott, Central Management Services
Barb Ringler, Office of the Treasurer
Tracy Allen, Office of the Comptroller
Stephen Kirk, Department of Transportation
Jane Hewitt, Illinois Emergency Management Agency
Gary Shadid-Illinois Department of Commerce and Economic Opportunity

Member Absent:

Marcus Dodd (Vice Chair), Illinois Department of Employment Security
Lesslie Morgan, Office of the Attorney General
Stell Malios, Office of the Secretary of State

OLD BUSINESS

Presentation of SIAAB Comments to the Financial Reporting Standards Board Act (30 ILCS 30)

The FRSB meeting was called to order, and proceeded through the Agenda Items of Roll Call of Members and Guests, Approval of the Previous Meetings Minutes, and Update on Submission of Annual Economic Interest Statements. Next, Mr. William Crowley of the FRSB introduced the Agenda Item of Review of Feedback from the SIAAB Board Members. Ms. Zemaitis addressed the FRSB on behalf of the SIAAB.

Ms. Zemaitis began by thanking the FRSB for giving the SIAAB the opportunity to review the draft *Financial Reporting Standards Board Internal Audit Guidelines – GAAP and Financial Statement Process* (Guidelines) and have an open dialogue with the FRSB. She provided a brief background of the purpose of the SIAAB. She stated that the SIAAB and the FRSB have a common goal of improving the GAAP and financial reporting process of the State of Illinois, and that the comments generally reflect solutions to enable the internal auditors' to comply with the requirements of the Fiscal Control and Internal Auditing Act and the Institute of Internal Auditing Standards, as well as the FRSB Act, and address the most significant risks to our agencies, with limited staff.

She began with an overarching comment expressing the SIAAB's request to share the draft Guidelines with the chief internal auditors of the State. She stated that the SIAAB understands the confidential nature of the document, and believes the FRSB would benefit from the perspectives of the other agencies as SIAAB's views are limited. The FRSB responded that the intent is to disseminate the Guidelines quickly, and that the Guidelines will be a living, breathing document. Any comments after the Guidelines are finalized from other internal auditors would be welcome, and that the FRSB envisions making revisions as necessary.

Ms. Zemaitis proceeded to review each of the SIAAB's comments and suggested revisions. These primarily addressed audit scope, content, reporting deadlines, the protected status of the internal auditors' reports under FOIA and Open Meetings Act, and a secure means of submission of the reports to the FRSB. Other SIAAB members present contributed their comments as well. Discussion with and among the FRSB members, Ms. Kathleen Madonia, and Mr. Steve Valasek ensued.

The FRSB thanked the SIAAB for their contributions, and determined next steps. Ms. Madonia and Mr. Valasek will propose revisions to the Guidelines and provide to Mr. Crowley who will review with the FRSB. A revised draft Guidelines document will then be provided to Ms. Zemaitis, who will distribute to the SIAAB members for discussion at the following SIAAB Meeting. Ms. Zemaitis thanked the FRSB for their time and the opportunity to provide input.

At 11:05 a.m. the FRSB announced a short recess. Ms. Abbott, Mr. Kirk, and Ms. Hewitt remained during the recess and then exited the FRSB meeting.

At 11:20 a.m. the FRSB Meeting reconvened. Ms. Zemaitis, Ms. Ringler, Mr. Allen, and Mr. Shadid were present which constituted a majority of a quorum of the SIAAB; therefore the SIAAB open meeting continued. The FRSB proceeded to discuss the Agenda Items of Statutory Powers of the Board – 30 ILCS 30-15: Establishing Minimum Qualifications for all New GAAP Coordinators, Establishing Minimum Training Requirements for GAAP Coordinators, and Establishing Minimum Continuing Education Requirements for GAAP Coordinators. FRSB members periodically asked the SIAAB members present for their input.

ADJOURNMENT

The SIAAB meeting adjourned at 12:05 p.m. with the departure of Ms. Zemaitis and Mr. Shadid from the FRSB meeting. The remaining SIAAB members present, Mr. Allen and Ms. Ringler, did not constitute a majority of a quorum.

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