# **STATE OF ILLINOIS**

# **INTERNAL AUDIT ADVISORY BOARD**Web Address: [HTTP://SIAAB.AUDITS.UILLINOIS.EDU](http://siaab.audits.uillinois.edu/)

# **MINUTES**

**Board Meeting – July 9, 2024**

**1:00 p.m.**

## **Call to Order**

A meeting of the State of Illinois Internal Audit Advisory Board (SIAAB) was held at Illinois Department of Transportation, 2300 S. Dirksen Parkway, Springfield, Illinois, with video conferencing available. The meeting was called to order at 1:00 p.m. by Chair H. Jay Wagner.

## **Roll Call**

**Members present:**

H. Jay Wagner, (Chair) Office of the Attorney General

Teri Taylor, (Vice-Chair) Office of the Comptroller

Amy Macklin, Department of Human Services

Steve Kirk, Department of Transportation

Nikki Lanier, Department of Revenue

Butch Stilwell, Department of Central Management Services

Jackie Hohn, State University Retirement System

**Members participating remotely**:

Julie Zemaitis, University of Illinois System, Video conference; proximity; employment obligations

Stell Mallios, Office of the Secretary of State – Teleconference; proximity (Chicago)

Leighann Manning, Office of the Treasurer – Teleconference; joined at 1:08 (notified Chair she may be late to the meeting)

A motion to approve remote attendance by these members was made by Nikki Lanier and was seconded by Amy Macklin. The motion was passed unanimously with Julie Zemaitis and Stell Mallios abstaining.

**Members absent:**

None

Chair H. Jay Wagner extended a welcome to the newest member of the Board, Jackie Hohn, Chief Audit Executive of the State University Retirement System. The Chair stated he had reviewed Jackie’s Independence and Confidentiality Statements and suggested a vote be taken to approve. Amy Macklin made a motion to approve and Teri Taylor seconded. Jackie Hohn abstained. The motion passed unanimously.

## **Minutes**

The draft minutes for the June 11, 2024 meeting were presented for approval. A motion to approve was made by Nikki Lanier and seconded by Steve Kirk. Stell Mallios and Jackie Hohn abstained. The motion passed unanimously.

## **Public Participation**

No member of the public participated in the meeting.

**REPORTS AND UPDATES**

**CPE Coordinator/Webmaster**

Julie Zemaitis reported two individuals had registered for and completed the QAR online course in the past month. Julie stated information related to their registrations and course completions had been uploaded to SIAAB’s SharePoint site.

Chair H. Jay Wagner stated a member of the Springfield Chapter of the IIA, Kayla Routh, contacted him and asked for the Board’s input on a practice the Chapter is considering implementing, that being awarding State auditors up to 15 CPE credits per year for performance of volunteer work for the Chapter. The Chair, Nikki Lanier, and Amy Macklin expressed concerns that a) “volunteer work” may encompass a broad array of activities that do not qualify for CPE and b) this being the case, annually awarding auditors nearly 20% of the total credits required over a two-year period for the completion of volunteer work *per se* defeats the purpose of CPE, namely, to engage in structured educational activities and programs designed to maintain or enhance auditors’ competence to address engagement objectives. Julie Zemaitis noted SIAAB Bylaw 2.5.2 defines qualifying CPE activities. Chair H. Jay Wagner stated CPE should be awarded for qualifying activities per SIAAB’s Bylaws and said he would report the Board’s comments to Kayla.

**Quality Assurance Coordinator**

Vice-Chair Teri Taylor reported Candice Long (CIA at IEMA) is working to bring her agency’s QAR status up to date. Candice has submitted a letter to the Board and the Director of IEMA stating she intends to complete the QAR by the end of April 2025. She will be using a shortened period of audits (i.e., June 2024 – January 9, 2025) for the review to complete the QAR under the 2017 Standards. Nikki Lanier asked if Candice will have a body of work completed sufficient for evaluation. Vice-Chair Teri Taylor stated Candice believes she will have a sufficient body of work. Additionally, the Vice-Chair reported she reminded Candice to state in her audit reports IEMA is not in compliance with the Standards due to the overdue QAR.

Vice-Chair Teri Taylor stated Stacy Smith, CIA at the Teacher’s Retirement System, entered a team request for her agency’s QAR. Stacy will be using the Self-Assessment with Independent Validation method and has proposed Casey Evans (State Employees’ Retirement System) be the validator. The Vice-Chair noted Casey meets the requirements to be an independent validator and has completed the QAR training. The period of evaluation will be July 1, 2022 – June 30, 2024. Amy Macklin made a motion to approve and Nikki Lanier seconded. The motion passed unanimously.

Chair H. Jay Wagner reported the QAR Matrix update project is progressing: sections covering 11 of 15 Principles have been drafted. The Chair asked the Board for volunteers to update the remaining sections. Chair H. Jay Wagner stated he believes the Board is on track to present a draft to SIAAB in September and prepare an exposure draft for consideration during the Chief Internal Auditor’s Roundtable at the SIAAB Conference in October.

**Guidance Coordinator**

Steve Kirk reported he has made significant progress in updating SIAAB’s Guidance documents to bring them into conformance with the Global Internal Audit Standards. Steve stated he plans to complete the project in August or September in time for the SIAAB Conference.

**Conference Coordinator**

Chair H. Jay Wagner reported Kyle O’Rourke (partner at MGO) wants to conduct a training on the role of GRC in building trust in the public sector. The Chair stated Kyle believes his employer will cover the costs associated with presenting at the Conference. Chair H. Jay Wagner noted Kyle has other colleagues who are willing to present on topics such as: a) the use of the Global Internal Audit Standards in the public sector and b) risk assessment and enterprise risk management (ERM). Steve Kirk suggested a training over ERM may be best; the Chair stated he would ask Kyle about it.

Chair H. Jay Wagner stated Butch Stilwell had agreed to present on the audit resources and services CMS’s Bureau of Internal Audit can offer to State agencies.

The Chair stated he expects the Auditor General and Inspector General to conduct presentations. He advised those on SIAAB speaking at the Conference be prepared to shorten their trainings to afford extra time to external presenters as needed.

**FOIA Officer**

Leighann Manning reported there were no FOIA requests.

**OLD BUSINESS**

Chair H. Jay Wagner reported he shared SIAAB’s legislative proposals with Butch Stilwell to gauge CMS’s interest in putting forth the proposals.

**New Business**

Chair H. Jay Wagner proposed an FAQ be added to SIAAB’s QAR webpage. Steve Kirk put forth a motion to approve. Butch Stilwell seconded the motion. The motion passed unanimously.

Chair H. Jay Wagner stated the Board needs to ensure its meeting location is secured as far out as possible. Steve Kirk stated he could continue to reserve the room at IDOT in six month increments.

**ANNOUNCEMENTS**

The next regular meeting is scheduled for August 13, 2024, at 1:00 p.m.

**ADJOURNMENT**

A motion to adjourn was made by Steve Kirk and seconded by Amy Macklin. The motion passed unanimously. The meeting adjourned at 1:53 p.m.