

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting – April 13, 2021

1:00 p.m.

CALL TO ORDER

A meeting of the State Internal Audit Advisory Board (SIAAB) was held via videoconference. The meeting was called to order at 1:00 P.M. by Chair Amy Macklin.

ROLL CALL

Members Present:

Amy Macklin (Chair), Department of Human Services
Natalie Covello (Vice Chair), Chicago State University
H. Jay Wagner , Office of the Attorney General
Leighann Manning, Office of the Treasurer
Stell Mallios, Office of the Secretary of State
Jack Rakers, Department of Central Management Services
Gary Shadid, Office of the Comptroller
Stephen Kirk, Department of Transportation
Julie Zemaitis, University of Illinois System
Kishor Desai, Student Assistance Commission
Nikki Lanier, Department of Revenue

Members Absent:

None

Location:

All members participated via video or teleconference.

TELECONFERENCING DUE TO COVID-19 SITUATION:

The meeting was held via videoconference under SIAAB Bylaw 1.5.7. A recording of the meeting will be kept for 18 months.

MINUTES

A motion to approve the minutes for the March 9, 2021 SIAAB meeting was made by Ms. Zemaitis. The motion was seconded by Mr. Shadid. The motion passed unanimously.

PUBLIC PARTICIPATION

There was one public participant, Christine Monroe, Chief Internal Auditor of the Illinois Housing Development Authority. Ms. Monroe stated she joined the call to observe and to pose a question regarding ethics hotlines. She inquired if there was a law, rule or regulation which prohibits agencies from implementing an ethics hotline outside of the hotline managed by the Office of the Executive Inspector General (OEIG). Ms. Macklin stated DHS has a full-time Inspector General who may perform follow up on complaints. Mr. Kirk stated IDOT is required by the US Department of Transportation to have their own hotline and they have a designated Investigations Section that handles those calls and works with the OEIG to conduct investigations as directed IDOT works with the OEIG to determine which agency will perform follow up. Mr. Desai stated the ISAC General Counsel is designated as the Ethics Officer and may perform follow up on complaints. Ms. Covello stated there had been similar discussions during her time in Internal Audit at IHDA and offered to discuss it further with Ms. Monroe at a later date.

REPORTS AND UPDATES

CPE Coordinator

Ms. Zemaitis reported that there were five completions and two pending registrations for the SIAAB online training course since the last Board meeting.

Quality Assurance Coordinator

Ms. Covello reported the Office of the Attorney General (AG) submitted their completed QAR report, matrix, and supporting documentation. It was reviewed without concerns. Mr. Desai made a motion to accept the AG QAR. Ms. Zemaitis seconded the motion. The motion passed with Mr. Wagner abstaining.

Ms. Covello reported the Illinois Student Assistance Commission (ISAC) submitted their completed QAR report, matrix, and supporting documentation. After minor revisions to the matrix, it was reviewed without concerns. Mr. Shadid made a motion to accept the ISAC QAR. Ms. Lanier seconded the motion. The motion passed with Mr. Desai abstaining.

Ms. Covello reported the Illinois Department of Revenue (IDOR) submitted their completed QAR report, matrix, and supporting documentation. After minor revisions to the matrix, it was reviewed without concerns. Mr. Kirk made a motion to accept the IDOR QAR. Mr. Shadid seconded the motion. The motion passed with Ms. Lanier abstaining.

Ms. Covello reported the Office of the Treasurer submitted a QAR team request. The team request was reviewed without concerns. Ms. Lanier made a motion to accept the request. The motion was seconded by Mr. Desai. The motion passed unanimously with Ms. Manning abstaining.

General Updates

Ms. Covello reported receiving a notification letter from Ms. Denise Caldwell, Chief Internal Auditor at the Illinois State Police, advising their QAR would not be completed on time. The QAR

was due on July 20, 2020; however, the former Chief Internal Auditor retired effective August 1, 2020. Ms. Caldwell began her term as the Chief Internal Auditor effective November 1, 2020. The estimated date for completion of the QAR is August 1, 2021.

Ms. Covello reported receiving communication from Mr. Mike Sartorius, Chief Internal Auditor at the Department of Aging, inquiring of the lead time for submitting approval of the QAR team. She also received communication from Ms. Amy Jenkins, Chief Internal Auditor of the Department of Corrections asking for more information on the QAR process. Ms. Covello referred her to the posted resources on the SIAAB webpage.

QAR Process Documentation Discussion

Ms. Covello stated she had noticed common occurrences of certain things when reviewing completed QAR documents. The QAR matrix may not be clear when an explanation is warranted for other than the selection of “Generally Conforms”. In some sections of the matrix, it states explanation in the comments section is required for the selection of “Partially Conforms”, “Does Not Conform”, and “Not applicable”. In other sections of the matrix, it states an explanation is needed for only the selection of “Partially Conforms” and “Does Not Conform”. This occurs in sections where “Not applicable” can’t be selected. Ms. Covello stated the QAR Coordinator checklist does not address the verification of comments related to the selection of “Not applicable”, but it does require the QAR coordinator to verify comments were made for the selection of “Partially Conforms” and “Does Not Conform”. Ms. Macklin stated it appears there is a conflict within the instructions in the QAR matrix. General discussion was had regarding the intent of the comments section and when comments are necessary. Ms. Zemaitis stated the intent of the comments in the conclusion of each section was to tie together the overall conclusion for that section. Ms. Covello further stated it appears the language for some matrix steps is too narrowly defined. Mr. Kirk stated a general concern that the validators may be also applying the steps too narrowly and that there are multiple ways to accomplish the outlined objectives. For example, the reviewer should only assess that there is adequate support for their Internal Audit Plan and not the specific methodology used when creating the plan. There are multiple methods the Chief Internal Auditor can follow to accomplish this that would be compliant. The key is having sufficient documentation to support the process they choose. General discussion was had regarding the need to review and propose modifications to certain matrix steps. Ms. Covello will review the matrix and QAR coordinator checklist for potential revisions which will be presented to the Board at a later date.

FOIA Officer

Ms. Manning reported that there have been no FOIA requests.

Guidance Coordinator

Ms. Kirk stated there was nothing to report.

Conference Coordinator

Mr. Wagner stated the best date for the roundtables appeared to be May 24th or May 25th. General discussion was held regarding the best time of day to schedule the roundtables and the need to

consider the availability of the moderators. Mr. Wagner requested a motion to schedule the roundtables for either May 24th or May 25th based on moderator availability. Mr. Kirk made a motion which was seconded by Ms. Manning. The motion passed.

Mr. Wagner reported he received communications from the IIA regarding the request for the new CIO to speak at the fall SIAAB conference. Either the new CIO or the outgoing President should be available to speak, which will be decided at a later date. Ms. Macklin stated a question was posed during the IIA Springfield Chapter meeting as to whether the fall SIAAB conference will be in person or virtual. Mr. Wagner stated this determination has not been made. The Northfield Center is reserved if the conference can be held in person, and the dates have been submitted to IIA National to ensure no conflicts with their programs.

OLD BUSINESS

FCIAA Checklists

Mr. Shadid stated the final review of the checklist is still underway by the Executive suite at the Office of the Comptroller. The final checklist has not been provided to the Legislative Audit Commission for review. The Office of the Comptroller is working on a new SAMS manual so it's possible the checklist will be held so both can be issued at one time.

NEW BUSINESS

Ms. Zemaitis noted a section in the SIAAB Quality Assurance Review Process document that does not reflect recent changes regarding the review team qualifications in the Bylaws dated January 12, 2021. A motion to amend the SIAAB Quality Assurance Review Process document to reflect the changes made to the Bylaws was made by Ms. Covello. Mr. Kirk seconded the motion. The motion passed.

Ms. Zemaitis notified the Board that Ed Mascorro, who has greatly assisted the Board through the years, will be retiring as of June 30, 2021. The Board expressed their appreciation for his assistance and wished him well upon retirement. She inquired if the Board had a preference for virtual meetings to be held via Zoom or WebEx. A preference was not indicated by the Board and Ms. Zemaitis through the University of Illinois System will continue to host the platform for the virtual meetings. General discussion was held regarding the ability to continue offering a virtual link to meetings after the stay at home order is over. Mr. Wagner stated the Open Meetings Act generally prohibits virtual meetings at this time. Any changes will be considered at that time.

Other Business

None.

ANNOUNCEMENTS

The next regular meeting is scheduled for May 11, 2021, at 1:00 p.m., the method is to be determined based on the current situation.

ADJOURNMENT

A motion to adjourn was made by Mr. Kirk, seconded by Ms. Zemaitis. Motion carried unanimously. Meeting adjourned at 2:14 P.M.