

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

Board Meeting- April 9, 2013

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 9-036, Chicago, Illinois. The meeting was called to order at 1:07 p.m. by Vice Chair Marcus Dodd.

ROLL CALL

Members Present/Location:

Douglas Hathhorn (Chairman), Illinois Department of Revenue- Springfield – arrived 1:40 pm

Marcus Dodd (Vice Chair), Illinois Department of Employment Security - Chicago

Debbie Abbott, Central Management Services-Springfield

Lesslie Morgan-Office of the Attorney General- Springfield

Barb Ringler, Office of the Treasurer- Springfield

Tracy Allen, Office of the Comptroller – Springfield

Jane Cullen, Illinois Department on Aging - Springfield

Gary Shadid-Illinois Department of Commerce and Economic Opportunity- Springfield

Julie Zemaitis, University of Illinois – Springfield

Stell Mallios, Office of Secretary of State- Chicago

Members Absent

Steve Kirk, Department of Transportation

MINUTES

The March 12, 2013, meeting minutes were presented to the Board for discussion and approval. Minor changes were suggested and accepted at the meeting. A motion was made by Ms. Morgan and seconded by Ms. Ringler to accept the March 12, 2013 minutes as amended. The motion carried unanimously.

REPORTS AND UPDATES

CPE Coordinator

Ms. Zemaitis reported that since the last meeting, two individuals from CMS registered online for the QAR training course. The updates to the 2013 standards are near completion and several of the updates are pending Board approval and will be considered in Old Business today.

There was a CPE question raised by Ms. Abbott regarding obtaining CPE credit for internal audit staff training. Ms. Zemaitis recalled the Board had discussed at a prior Board meeting that the CPE Sponsor must be registered with either the Illinois Department of Professional Regulation or the National Association of State Boards of Accountancy (NASBA) as a CPE Sponsor in order for the hours to qualify for CPE. Ms. Zemaitis also suggested updating the by-laws to state that requirement. Ms. Zemaitis will propose language at the next meeting.

FOIA

Ms. Ringler had nothing to report.

Guidance Coordinator

We passed on this update as Steve Kirk, Guidance Coordinator, was not in attendance.

Quality Assurance Reviews – Current Reviews and Request

Chairman Hathhorn reported that he had received the Matrix and Report from the State Board of Education. This will be forwarded to Vice Chair Dodd to coordinate the review of the ISBE QAR. Vice Chair Dodd discussed having his staff act as Special Assistant to the Assistant Quality Assurance Coordinator for the review of the SBE QAR.

New Business

Board Positions:

The appointments of chairs and board positions for this current year are as follows:

- CPE Coordinator: Ms. Zemaitis
- Conference Coordinators: Mr. Allen and Mr. Hathhorn
- Guidance Coordinator: Mr. Kirk
- FOIA/OMA Officer: Ms. Ringler
- Assistant FOIA/OMA Officer: Ms. Abbott
- Quality Assurance Coordinator: Chair Hathhorn
- Assistant Quality Assurance Coordinator: Vice Chair Dodd
- Webmaster: Eduardo Mascorro

Vice Chair Dodd presented a slate of suggested SIAAB Coordinators and other Board positions. Ms. Morgan suggested that we amend the list to make the FOIA Officer and the Assistant FOIA Officer also

the OMA (Open Meeting Act) Officer and Assistance OMA Officer. A motion was made by Ms. Morgan and seconded by Mrs. Zemaitis to add the OMA responsibility to the FOIA Officer and Assistance FOIA Officer. The motion carried unanimously.

A motion was made to accept the Board positions by Ms. Morgan and seconded by Mr. Shadid. The motion carried unanimously.

Posting of Calendar:

It was discussed to put the calendar of due dates for SIAAB activities on the website with the By-Laws. The webmaster will be instructed to post this calendar.

It was discussed that all members of the Board need to file the Quality Assurance Confidentiality Policy/Commitment Statement and the Statement of Independence with the Quality Assurance Coordinator (Chairman Hathhorn) at the next Board meeting. These will need to be submitted and maintained by the FOIA Officer.

Discussion of term-positions of Chief Internal Auditor:

The Board discussed the term position that the Chief Internal Auditor is to serve per the FCIAA statute. The Board discussed the beginning and ending of a term and how this is being interpreted by Chief Internal Auditors, Agencies, and the Department of Central Management Services. Our conclusion was that under FCIAA 2004(f), the Board does not have the authority to make an opinion or interpretation of the plain language under FCIAA 2001(a-5) and FCIAA 2002(c). It is not the defined role of the Board to interpret the General Assembly.

Old Business

By-Law Change Proposals for 1.1.2, 1.2.4, 3.4.1 thru 3.4.7:

SIAAB By-Laws Section 1.1.2 was amended to add responsibilities to the “Purpose” to include duties regarding Promulgating Professional Standards, Clearinghouse for the Correlation of Internal Auditor Training Needs, and Coordinating Peer Review or Quality Assurance Reviews. This final version was reviewed and Ms. Abbott presented a minor change that was accepted.

A motion was made to accept Section 1.1.2, as changed, by Mr. Dodd and seconded by Ms. Ringler. The motion carried unanimously.

SIAAB By-Laws Section 1.2.4, “General Responsibilities” was presented for final approval.

A motion was made to accept Section 1.2.4 by Mr. Allen and seconded by Ms. Morgan. The motion carried unanimously.

SIAAB By-Laws Section 3.4.1 to 3.4.7 was presented for final approval by Mr. Allen. The Board discussed minor revisions to 3.4.1 and 3.4.2 at the meeting and agreed to these revisions.

A motion was made to accept Section 3.4.1 to Section 3.4.7, as change, by Ms. Zemaitis and seconded by Ms. Abbott. The motion carried unanimously.

Guidance Drafts 13-01 and 13-03:

The Guidance drafts will be tabled to the next meeting when Mr. Kirk will be present. There was some confusion whether the Board had the most recent drafts. Some members will be presenting revisions that will be discussed at the next Board meeting.

Quality Assurance Review Documents:

Quality Assurance Confidentiality Policy/Commitment Statement – A motion was made to accept the changes as presented to the Board by Ms. Morgan and seconded by Ms. Abbott. The motion carried unanimously.

Statement of Independence - A motion was made to accept the changes as presented to the Board and correct the two typos as discussed during the meeting by Mr. Allen and seconded by Ms. Abbott. The motion carried unanimously.

Quality Assurance Frequently Asked Questions - A motion was made to accept the changes as presented to the Board by Ms. Morgan and seconded by Mr. Shadid. The motion carried unanimously.

Quality Assurance Matrix - A motion was made to accept the changes as presented to the Board and the following corrections to the final draft as discussed:

- Strike reference to GAO/GAS after AS 1130.C2
- PS2600 – Make the text box bigger so all text is viewable in a printed format

Motion made by Ms. Morgan and seconded by Mr. Shadid. The motion carried unanimously.

External Quality Assurance Report or Self-Assessment with Independent External Validation Report Template - A motion was made to accept the changes as presented to the Board by Ms. Morgan and seconded by Ms. Ringler. The motion carried unanimously.

External Quality Assurance Coordinator's Review Checklist - A motion was made to accept the changes as presented to the Board by Ms. Ringler and seconded by Mr. Dodd. The motion carried unanimously.

ANNOUNCEMENTS

The next regular meeting that was scheduled for May 14, 2013 at 1:00 p.m will be rescheduled due to scheduling conflicts on that day involving several Board members. The Chair will communicate the new date to all Board members and post on the website immediately when rescheduled. The meeting will still be at the Capital City Center's Video Conference Room #104, 130 West Mason, Springfield, Illinois. For those attending via video conference in Chicago, Room 9-036 of the JRTC will be reserved.

ADJOURNMENT

Motion made by Mr. Dodd to adjourn the meeting.

Second: Ms. Morgan

Vote was unanimous and the meeting was adjourned at 3:08 p.m.