

STATE OF ILLINOIS
INTERNAL AUDIT ADVISORY BOARD

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

MINUTES

SIAAB Fall Government Auditing Conference
October 29, 2013 and October 30, 2013

ROLL CALL

Members Present/Location:

Marcus Dodd (Vice Chair), Illinois Department of Employment Security – Springfield
Debbie Abbott, Central Management Services-Springfield
Lesslie Morgan-Office of the Attorney General- Springfield
Steve Kirk, Department of Transportation - Springfield
Gary Shadid-Illinois Department of Commerce and Economic Opportunity- Springfield
Julie Zemaitis, University of Illinois – Springfield
Stell Mallios, Office of Secretary of State- Springfield
Barb Ringler, Office of the Treasurer- Springfield
Tracy Allen, Office of the Comptroller – Springfield

Members Absent:

Jane Cullen, Illinois Emergency Management Agency

MINUTES

The SIAAB Fall Government Auditing Conference was held on October 29 and 30, 2013 at the Northfield Center, 3280 Northfield Drive, in Springfield, Illinois. The Conference was scheduled, in accordance with the Fiscal Control and Internal Auditing Act requirements, to provide internal audit training only and accordingly, there were no Board actions taken, nor were there any motions taken or voted upon during the training event.

October 29, 2013

There were 161 attendees present.

Registration for the Conference began at 7:45 a.m. Opening remarks were made at 8:15 a.m. by Ms. Julie Zemaitis, SIAAB Chair.

The first presenters were Ms. Linda Abernethy, Partner and Mr. Sean Hickey, Senior Manager of McGladrey. Their presentation was on “Service Providers – SOC 1 Audits and Use of SOC 1 Reports” and focused on SASE 16.

The second presentation was by Ms. Kathleen Madonia, Director of Financial Reporting, Office of the Comptroller, on “The Financial Reporting Process.” Ms. Madonia’s presentation included a review of the GAAP reporting process and the Financial Reporting Standards Board.

The third presenter was Mr. Chad Fornoff, Executive Director, Executive Ethics Commission. His presentation, “Jennings’ Seven Signs of Ethical Collapse in Illinois Government,” reviewed the signs and antidotes for the historical events in Illinois.

During the lunch break, the Chief Internal Auditors discussed several topics of interest, facilitated by Mr. Stephen Kirk, Chief Internal Auditor, Illinois Department of Transportation.

The fourth presenter was the Honorable Ricardo Meza, Executive Inspector General, Office of the Executive Inspector General. His presentation was on “OEIG and Internal Auditors – Crossroads” focused on OIEG updates and various aspects of interaction between the OEIG and internal audit such as jurisdiction, authority, obstacles, and released report examples.

The fifth presentation was by Mr. Jon Skinner, Manger of Technical Support, Office of the State Treasurer. His presentation on “E-Pay – A Case Study in PCI Compliance” included an explanation of the PCI Data Security Standards and compliance with the Standards.

The sixth and final presentation of the day was by Mr. Marvin Becker, Director of Statewide Accounting, Office of the Comptroller. His presentation was on “Comptroller’s Office Hot Topics” and included various legislative changes, operational changes, and other updates.

The first day of the two-day Conference adjourned at 4:30 p.m.

October 30, 2013

There were 162 attendees present.

Registration for the Conference began at 7:45 a.m.

The first presenter was Mr. Jeremy Clopton, Managing Consultant – Forensics and Valuation Services, BKD, LLP. His presentation was on “Data Analytics for Fraud Detection” and provided guidance and examples for utilizing continuous auditing data analytics in the internal audit process.

The second presenter was by Mr. Stephen Minder, Chief Executive Officer, YCN Group, LLC. Mr. Minder presented “COSO Framework and Designing the Right Plan.” The presentation included COSO principles and internal audit considerations.

During the lunch break, the University Auditors discussed topics of interest to the group, facilitated by Ms. Julie Zemaitis, Executive Director of University Audits and Mr. Gene Fruit, Director of IT Audits, University of Illinois.

The third presentation was by the Honorable William G. Holland, Auditor General, Office of the Auditor General. He spoke on various internal control over financial reporting issues in the State of Illinois government, as well as the proposed statewide ERP system. He then opened up his presentation session for questions and addressed numerous questions from the audience.

The fourth and final presentation of the two-day Conference was again by Mr. Stephen Minder. This presentation was on “Risk-Advantaged Internal Auditing” and focused on capitalizing on risk analysis techniques in the internal audit process.

The second day of the two-day Conference adjourned at 4:20 p.m.