

Financial Reporting Standards Board [“FRSB” or “the Board”]

Wednesday, June 25, 2014

9:00 a.m. to 11:00 a.m.

Office of the Comptroller, 325 West Adams Street, Springfield, Illinois

Present: Board Members – Dan Cadigan, William Crowley, Larry Lascody, Don Templeman, Bob Grogan. Christ Balich appeared via teleconference on behalf of Sean Vinck (excused).

IOC Staff – Steve Valasek, Katie Madonia, Linda Smith

Visitors – Tracy Allen, Roma Larson (Governor’s Office of Management and Budget), Julie Zemaitis (U of I).

- I. Roll call of members and guests
 - a. All board members present except Sean Vinck, who was excused and represented by Christ Balich via teleconference.
 - b. Introduction of board members, Comptroller staff, and guests
- II. Approval of the previous meeting minutes
 - a. Motion: To approve the minutes for May 15, 2014
 - b. Vote: Motion carried
- III. Administrative Issues
 - a. Sheila Henretta is no longer employed at GOMB, Kevin Byrne is the new general counsel. Byrne was previously at Schiff Hardin for 25-29 years. It is requested that he replace Ms. Henretta as Ethics Officer on the Board. Motion was made to appoint Mr. Byrne as Ethics Officer, motion seconded and approved.
 - b. Ethics training was completed for all members, relating to 2013. Will need to complete 2014 training by end of the calendar year.
- IV. Internal Audits of the GAAP process - 30 ILCS 30/20
 - a. Update on seeking advisory opinion relating to FOIA - Larson and Madonia contacted the Attorney General’s Office and was able to have a phone conference with Sarah Pratt, the Public Access Counselor on Monday 6/23. The Attorney General’s Office will review the issue and respond back to Larson and Madonia.

In addition, Larson and Madonia discussed with the Attorney General’s Office the issue of confidentiality of the internal audit reports, and whether the Board could go into

closed sessions to discuss these reports. The Attorney General's Office agreed to review the application of exemptions to the Open Meetings Act.

- b. Update on questions/comments received regarding submission of FY13 internal audit reports. Steve Valasek and Katie Madonia spoke with Bruce Bullard at the Auditor General's office. Bruce indicated that their office plans to focus on the FY14 audits, as the internal audit guidelines are effective for the FY14 audits.
 - c. Review of draft letter to Comptroller and Governor
 - i. The Board reviewed the draft letter prepared by Katie Madonia, which included a list of agencies who have submitted internal audits of the FY12 and FY13 GAAP process. There was some discussion as to the wording of the letter. Katie will revise letter for review at the next meeting.
 - ii. To ensure accuracy of the list of submitted internal audit reports, Katie Madonia will send an email blast to GAAP coordinators with the list attached, asking agencies to indicate any discrepancies, or to submit outstanding audits by 8/15/14, to be included in the letter to the Comptroller and Governor
 - iii. The IOC will also share the list with SIABB, so that they may distribute to the chief internal auditors for verification.
- V. Establishing minimum qualifications for all new GAAP Coordinators
- a. Review of draft qualifications – Larry Lascody, Dan Cadigan, Katie Madonia (IOC)
 - i. Moved to adopt as revised. Motion seconded. Motion approved.
 - ii. IOC will have qualifications posted to the FRSB website
 - iii. IOC will notify agencies through an email blast and accounting bulletin
- VI. Establishing minimum training requirements for the 2014 GAAP season
- a. Training requirements posted to FRSB website
 - b. IOC sent email blast to all GAAP coordinators regarding requirements
 - c. IOC will maintain records of attendance and notify the Board of noncompliance.
- VII. New business
- a. FRSB has been asked to participate in an Internal Auditing Conference in the fall. (October 30, 2014, Northfield Center) It was suggested that Grogan and Crowley represent FRSB.

- b. The board discussed having SIAAB send a request out for questions for the FRSB, so that they may discuss responses. There will be two board meetings prior to the conference. Would like to be able to review questions during the October Board meeting.

VIII. Scheduling of next meeting of the Board

- a. There will be no meeting in July or August.
- b. Tentative date: Wednesday, September 17, 2014
- c. Time: 9:00 a.m. – 12:00 p.m.
- d. Location: 325 W. Adams, Springfield, IL 62704

Meeting adjourned around 11:00 a.m.