

AGENDA ITEM 2.

**APPROVAL OF THE MINUTES
OF THE AUDIT COMMITTEE MEETING
OF SEPTEMBER 22, 2022**

Submitted for: Action

Summary: This report includes the minutes for the Audit Committee meeting held on September 22, 2022.

Action requested: That the Audit Committee approve the minutes of the September 22, 2022 meeting.

**MINUTES OF THE
ILLINOIS STUDENT ASSISTANCE COMMISSION
AUDIT COMMITTEE**

**VIDEO CONFERENCE
Instruction to be provided by ISAC.org**

September 22, 2022

11:00 a.m.

COMMISSIONERS PRESENT via WebEx:

Elizabeth Lopez, Commissioner, Vice Chair, Audit Committee Member
Daryl Arrington, Commissioner, Audit Committee Member

COMMISSIONERS ABSENT:

Niketa Brar, Commissioner, Audit Chair and Committee Member

STAFF PRESENT via WebEx:

Eric Zarnikow, Executive Director
Kishor Desai, Chief Internal Auditor
Shoba Nandhan, Chief Financial Officer
Harikumar Pillai, Chief Information Officer
Wendy Funk, Managing Director, Accounting and Finance
Rich Nowell, Interim General Counsel
Gloria Legette, Deputy General Counsel
Anne Hunter, Deputy Director, Financial Reporting
Natalie Wandall, Secretary to Commission
Manuel Talavera, Professional Development Specialist
Dada Ibrahimovic, Professional Development Specialist
Lisa Murphy-Coveny, Deputy General Counsel
Wendy Funk

The Illinois Student Assistance Commission Audit Committee was called to order at 11:03 a.m.

Mr. Zarnikow, ISAC's Executive Director, began by explaining that the meeting was being conducted through electronic means pursuant to Governor Pritzker's extension of the Gubernatorial COVID-19 Disaster Proclamation and the Open Meetings Act.

Mr. Zarnikow advised that it was not practical or prudent to conduct the meeting in person at a usual meeting location, so the meeting was conducted virtually. Mr. Zarnikow indicated that he was physically present at ISAC's headquarters in Deerfield.

He further stated that, as with all ISAC public meetings, a specific time was reserved in the agenda for public comment.

He explained that the applicable law requires a roll call for every vote and gave Committee members the relevant instructions.

He reviewed the basic meeting procedures and indicated that there would be a verbatim recording of the whole meeting, open and closed sessions, as required by law.

A roll call of the Audit Committee members was taken, and a quorum was established.

Item 1. Announcements

Mr. Zarnikow announced that the next regularly scheduled Audit Committee meeting will be on Thursday December 8, 2022, at 11:00 a.m. He also indicated that the upcoming meeting is expected to be held in-person and notice would be provided if that changes.

Item 2. Approval of the Minutes of the June 16, 2022, Audit Committee Meeting (Action)

Commissioner Arrington **MOVED THAT** the Audit Committee approve the minutes of the June 16, 2022, meeting of the Audit Committee. Commissioner Lopez seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee.

Item 3. Status Update of Fiscal Year 2022 Internal Audit Plan (Information)

Mr. Desai reviewed the status of the fiscal year 2022 Audit Plan. He advised that the plan was completed on time and within budget.

Item 4. Status Update of the Fiscal Year 2023 Internal Audit Plan (Action)

Mr. Desai presented the Fiscal Year 2023 Internal Audit plan that is printed on page 4-1 of the agenda book. He reported that, in addition to the audits listed as completed in the agenda book, audit #11 was also completed. He advised that audit #7 was underway and that the audit plan was on track.

Item 5. Annual Declaration of Chief Audit Executive Independence (Information)

Mr. Desai presented the definition and Standards on page 5-1 of the agenda book. He acknowledged and declared that Internal Audit operates independently of management.

Item 6. Discussion of Metrics for Evaluation of Internal Audit Function

Item 6A. Approach- Annual Performance of Internal Audit Function (Information)

Mr. Desai reviewed the Internal Audit Performance Metrics and the Chief Internal Auditor Job description as presented in the agenda book. He advised that the job description was reviewed, and no changes were made.

Item 6B. Approach- Annual Self-Evaluation of Audit Committee Performance (Information)

Mr. Desai advised that the annual self-evaluation of Audit Committee performance would be sent to committee members after the meeting. He explained there were a few adjustments made to simplify the evaluation form. It was also noted that a report of the results would be provided at the December 2022 meeting.

Item 7. Public Comment

No requests for public comment were made.

Item 8. Closed Session

Commissioner Lopez **MOVED THAT** the Audit Committee go into closed session to discuss closed minutes and Internal Control Weaknesses as allowed by subsections 2(c)(21) and (29) of the Open Meetings Act. Commissioner Arrington seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee.

At approximately 11:16 a.m. the Audit Committee went into closed session.

At approximately 11:29 a.m. the Audit Committee returned to open session.

Item 9. Approval of Closed Session Items

Item 9A. Approval of the Closed Minutes of the June 16, 2022 Meeting and Approval to Open

Commissioner Arrington **MOVED THAT** the Audit Committee approve the closed minutes of the June 16, 2022 closed session of the Audit Committee and determine that they may be opened to the public. Commissioner Lopez seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee.

Item 9B. Approval of Determination Regarding Confidentiality & Verbatim Record Destruction

Mr. Zarnikow asked for a motion that the Audit Committee approve the following resolutions:

“BE IT RESOLVED that the Committee has determined the need for confidentiality still exists for the minutes of its closed sessions for: January 27, 2012, March 26, 2012, June 25, 2012, June 21, 2013 and January 27, 2015 and therefore should remain closed to the public.

“BE IT FURTHER RESOLVED that the Committee approves the destruction of the verbatim records of the April 28, 2020 closed session and the open and closed sessions of the June 18, 2020 and September 17, 2020 Committee meeting as at least 18 months has transpired since the completion of those meetings and 24 months has transpired since the web posting.

Commissioner Lopez **SO MOVED**. Commissioner Arrington seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee.

Seeing no further business to come before the Audit Committee, Commissioner Arrington **MOVED** to adjourn. Commissioner Lopez seconded that motion, which was unanimously approved by a roll call vote of the Audit Committee.

The meeting adjourned at approximately 11:34 a.m.

Respectfully submitted,

Lisa Murphy-Coveny