

ILLINOIS STUDENT ASSISTANCE COMMISSION

AUDIT COMMITTEE CHARTER

4/18/2024

PURPOSE

To assist the Commissioners of the Illinois Student Assistance Commission (“the Commission”) in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Commission’s process for monitoring compliance with laws, regulations and the code of conduct.

AUTHORITY

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Retain independent counsel or others to advise the Audit Committee or assist in the conduct of an investigation in accordance with applicable laws and policies, including but not limited to, those relating to procurement.
- Seek any information it requires from employees – all of whom are directed to cooperate with the Audit Committee’s requests – or external parties. Any employee who fails to fully cooperate will be subject to discipline by the Executive Director, up to and including dismissal.
- Meet with Commission staff members, external auditors, or outside counsel, as necessary.

COMPOSITION

The Audit Committee will consist of at least three Commissioners. The committee members shall be appointed, and an Audit Committee Chair named pursuant to a resolution adopted by the Commission. The term of each member shall run concurrently with his or her term on the Commission. Nothing shall prevent a committee member from resigning from the committee prior to the expiration of their Commission term as personal or business reasons may require.

MEETINGS

Meetings will be held in accordance with the requirements of the Illinois Open Meetings Act. Audit Committee Members shall attend each meeting in person or via telephone or videoconference, to the extent permitted by the Commission’s Administrative Rules and applicable Illinois law.

Meeting agendas for Audit Committee meetings will be prepared by the Commission’s Internal Audit Department staff and will be posted as required under the Open Meetings Act or other applicable laws. In addition, the meeting agenda and supporting materials will be provided to the Audit Committee Members prior to the scheduled Audit Committee meeting. The Audit Committee may invite other individuals, such as the Commission’s executive and legal staff, employees, auditors, and other technical experts, to attend meetings and provide information, as necessary. Minutes of the Audit Committee meetings will be prepared by Commission staff and will be approved by Members of the Audit Committee.

RESPONSIBILITIES

The Audit Committee will carry out the following responsibilities:

1. Annually reassess and approve the Audit Committee Charter and recommend its review and approval by the Commission (Board). The Audit Committee Charter shall be updated as applicable laws, regulations, accounting and auditing standards change.
2. Review and approve the annual Internal Audit plan and recommend its review and final approval by the Commission (Board).
3. Meet with ISAC's external auditors to learn of their annual financial reporting audit scope, results and recommendations.
4. Review significant findings, if any, management responses and the Agency's overall system of internal controls including Internal Audit performance to ensure compliance with the International Standards for the Professional Practice of Internal Auditing (Standards).
5. Review reports on any additional Internal Audit work performed at the special request/s of the Agency management.
6. Annually review and approve Internal Audit budget, resource plan and the Chief Internal Audit Officer's compensation in compliance with the International Standards for the Professional Practice of Internal Auditing (Standards).
7. Approve decision regarding appointment and replacement of the Chief Internal Audit Officer in compliance with the International Standards for the Professional Practice of Internal Auditing (Standards).
8. The Audit Committee will meet at least four times a year and at such additional times as necessary. Ensure there are no unjustified restrictions or limitations placed upon the internal audit function.
9. Conduct an annual self-evaluation of the Audit Committee's performance, including its effectiveness and compliance with the Audit Committee Charter.
10. Regularly report to the Commission about Audit Committee activities, issues, and related recommendations.

Kevin Huber, Chair
Illinois Student Assistance Commission

Date

Darryl Arrington, Audit Committee Chair
Illinois Student Assistance Commission

Date