

**AGENDA ITEM 2.**

**APPROVAL OF THE MINUTES OF THE JUNE 20, 2024  
AUDIT COMMITTEE MEETING**

**Submitted for:** Action.

**Summary:** This report includes the minutes for the Audit Committee meeting held on June 20, 2024.

**Action requested:** That the Audit Committee approve the minutes of the June 20, 2024 meeting.

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

**Illinois Student Assistance Commission  
3rd Floor, Room 3030  
1755 Lake Cook Road, Deerfield, IL**

**June 20, 2024  
11:00 a.m.**

**COMMISSIONERS PRESENT:**

Darryl Arrington, Commissioner, Audit Committee Chair  
Elizabeth Lopez, Commissioner, Vice Chair, Audit Committee Member  
Thomas Dowling, Commissioner, Audit Committee Member

**STAFF PRESENT:**

Eric Zarnikow, Executive Director  
Kishor Desai, Chief Internal Audit Officer  
Rolake Adedara, Interim Chief Financial Officer  
Harikumar Pillai, Chief Information Officer  
Natalie Wandall, Secretary to Commission  
Lisa Murphy-Coveny, Interim General Counsel  
Lisa Schlessinger, Compliance Counsel  
Phyllis Wiley, Procurement I  
Lini Varughese, Deputy Director, Finance and Accounting  
Jackie Eckley, Asst Director, Program Communication Service  
Dana Mills, Director, Appropriation and Compliance  
Michael Wilder, Network Technician/LAN Administrator

**PUBLIC ATTENDANCE:**

Christine Torres, Account Partner, Crowe  
Hollis Hanson-Pollock, Audit Senior Manager, Crowe

The Illinois Student Assistance Commission Audit Committee was called to order at 11:05 a.m.

Mr. Zarnikow, ISAC's Executive Director, began by explaining the meeting was taking place in-person at ISAC's Deerfield headquarters which is open to the public.

He turned the meeting over to Commissioner and Audit Committee Chair, Mr. Darryl Arrington. A roll call of the Audit Committee members was taken, and a quorum was established.

### **Item 1. Announcements**

Commissioner Arrington announced that the next regularly scheduled Audit Committee meeting will be held in-person on Thursday, September 19, 2024, at 11:00 a.m. He also indicated that the upcoming meeting would be held in-person at ISAC's Deerfield headquarters.

### **Item 2. Approval of the Minutes of the April 18, 2024 Audit Committee Meeting (Action)**

Commissioner Lopez **MOVED THAT** the Audit Committee approve the minutes of the April 18, 2024, meeting of the Audit Committee. Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Audit Committee.

### **Item 3. Approval for the Destruction of Open Meeting Verbatim Recordings (Action)**

Commissioner Dowling **MOVED THAT** the Audit Committee approve the following resolution:

**BE IT RESOLVED** that the Audit Committee approves the destruction of the verbatim records of the open session of the June 16, 2022 Audit Committee meeting as at least 18 months has transpired since the completion of that meeting and 24 months has transpired since the web posting.

Commissioner Lopez seconded the motion, which was unanimously approved by a vote of the Audit Committee.

### **Item 4. Status Update of the Fiscal Year 2024 Internal Audit Plan (Information)**

Mr. Desai reviewed the Fiscal Year 2024 Internal Audit plan that is printed on page 4-1 of the agenda book. He reported that, since the printing of the report, audit #12 is almost completed and that audit #13 is in process. Mr. Desai provided an update on audit #11 on Petty Cash. He reviewed the required audit schedules. There was discussion regarding the minimal amounts of Petty Cash at ISAC.

**Item 5. Approval of the Fiscal Year 2025 Internal Audit Plan (Action)**

Mr. Desai presented the proposed Internal Audit plan for Fiscal Year 2025 as written on page 5 and 5-1 of the agenda book, including an explanation of the Records Retention Program audit. There was discussion regarding the funding of the scholarship programs that have proposed audits.

Commissioner Lopez **MOVED THAT** the Audit Committee review and approve the following resolution:

**BE IT RESOLVED** that the Audit Committee has reviewed and approved the Fiscal Year 2025 Internal Audit Plan and recommends it to the Commission for final approval.

Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Audit Committee.

**Item 6. Review and Approve the Internal Audit Charter (Action)**

Mr. Desai reviewed the summary on page 6 of the agenda book and explained the recommended change to update ISAC's mission statement in the Charter. There was discussion about the length and breadth of the Charter and upcoming changes next year.

Commissioner Lopez **MOVED THAT** the Audit Committee review and approve the Internal Audit Charter. Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Audit Committee.

**Item 7. Public Comment**

No requests for public comment were made.

**Item 8. Closed Session**

Commissioner Dowling **MOVED THAT** the Audit Committee go into closed session to meet with external Auditors, Crowe Horwath; discuss internal control weaknesses, the Internal Audit budget and resource plan; discuss closed minutes; and discuss the Chief Internal Audit Officer's compensation for FY25 as allowed by subsections 2(c)(29), (21) and (1) of the Open Meetings Act. Commissioner Lopez seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee.

At approximate 11:28 a.m. the Audit Committee went into closed session.

At approximately 12:09 p.m. the Audit Committee returned to open session.

**Item 9. Approval of Closed Session Items**

**Item 9A. Approval of the Closed Minutes of the April 18, 2024 Meeting and Approval to Open (Action)**

Commissioner Lopez **MOVED THAT** the Audit Committee approve the minutes of the April 18, 2024, closed session of the Audit Committee and that those minutes be opened to the public. Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Audit Committee.

**Item 9B. Approval of the Internal Audit Budget, Resource Plan, and the Chief Internal Audit Officer's Compensation for Fiscal Year 2025 (Action)**

Commissioner Dowling **MOVED THAT** the Audit Committee approve the Internal Audit budget, and the Chief Internal Audit Officer's compensation for FY25. Commissioner Lopez seconded the motion, which was unanimously approved by a vote of the Audit Committee.

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

The meeting adjourned at approximately 12:11 p.m.

Respectfully submitted,

Phyllis Wiley