

AGENDA ITEM 2.

**REVIEW OF THE MINUTES OF THE SEPTEMBER 19, 2024
AUDIT COMMITTEE MEETING**

Submitted for: Action.

Summary: This report includes the minutes for the Audit Committee meeting held on September 19, 2024.

Action requested: That the Audit Committee approve the minutes of the September 19, 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**

**September 19, 2024
11:00 a.m.**

COMMISSIONERS PRESENT:

Darryl Arrington, Commissioner, Audit 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
Kathryn Cataldo, Staff Attorney
Stephanie Luna, Office Specialist
Manju Thomas, Office Specialist
Dana Mills, Director, Appropriation and Compliance

PUBLIC ATTENDANCE: None

The Illinois Student Assistance Commission Audit Committee was called to order at 11:02 a.m.

Mr. Zarnikow, ISAC's Executive Director, began by noting that the meeting was being held in person at ISAC's Deerfield headquarters which is open to the public.

Chair Arrington called for a roll call of the Audit Committee Members. A roll call of the Audit Committee members was taken, and a quorum was established.

Item 1. Announcements

Chair Arrington announced that the next regularly scheduled Audit Committee meeting was expected to be held on Thursday, December 5, 2024, and start at 11:00 a.m. in Deerfield. He also indicated that if any Audit Committee members wished to attend future meetings from ISAC's Springfield office, that option could be arranged. He announced that the Commission meeting is scheduled to begin that day at 1:00 p.m.

Item 2. Approval of the Minutes of the June 20, 2024 Audit Committee Meeting (Action)

Commissioner Dowling **MOVED THAT** the Audit Committee approve the minutes of the June 20, 2024, meeting of the Audit Committee. Chair Arrington 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 September 22, 2022 Audit Committee meeting as at least 18 months have transpired since the completion of that meeting and almost 24 months have transpired since the web posting. The destruction will take place after September 22, 2024.”

Chair Arrington seconded the motion, which was unanimously approved by a vote of the Audit Committee.

Item 4. Status Update of FY 2024 Internal Audit Plan (Information)

Mr. Desai updated the Committee on the status of the FY24 audit plan as shown on page 4-1. All 13 audits that were part of the FY24 audit plan were completed.

Item 5. Status Update of FY 2025 Internal Audit Plan (Information)

Mr. Desai provided information regarding page 5-1. There are 11 audits planned for 2025. Audit 7 is in process and is expected to be completed soon. Audit 2 will start in October.

Item 6. Annual Declaration of Chief Audit Executive Independence (Information)

Mr. Desai read the definition of internal auditing and explained the significance of such definition. He declared that internal auditing was operating independent of management.

Item 7. Discussion of Metrics for Evaluation of Internal Audit Function (Information)

Item 7(A). Approach: Annual Performance of Internal Audit Function

Item 7(A)(i): Quantitative: IA Performance Metrics – FY24

Mr. Desai explained page 7(A)-1 regarding the metrics of audit functions.

Item 7(A)(ii): Job Description

Mr. Desai explained that only his title is changing but not his job description, as shown on the exhibit to 7(A)(1).

Item 7(B): Approach: Annual Self-Evaluation of Audit Committee Performance

Mr. Desai requested that the audit committee members complete and return the survey as shown on page 7(B). He will summarize the results at the December meeting of the audit committee.

Mr. Desai stated that the commissioners can contact him with questions.

Item 8. Public Comment.

No requests for public comment were made.

Item 9. Closed Session

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

At approximately 11:12 a.m. the Audit Committee went into closed session.

At approximately 11:27 a.m. the Audit Committee re-entered open session.

Item 10. Approval of the Closed Session Items

Item 10A. Review of the Closed Minutes of the June 20, 2024 Audit Committee Meeting (Information)

Commissioner Dowling **MOVED THAT** the Audit Committee approve the closed minutes of the June 20, 2024 closed session of the Audit Committee and determine that they may be opened to the public. Chair Arrington seconded the motion, which was unanimously approved by a vote of the Audit Committee.

Item 10B. Determination Regarding Confidentiality of Closed Minutes of the Audit Committee and Verbatim Record Destruction (Action)

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

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

“BE IT FURTHER RESOLVED that the Committee has determined that the need for confidentiality no longer exists for the closed session minutes of the June 25, 2012 meeting and therefore, they may be opened to the public.”

“BE IT FURTHER RESOLVED that the Committee approves the destruction of the closed meeting verbatim records of the September 22, 2022 and December 8, 2022 closed session as at least 18 months has transpired since the completion of those meetings.”

Chair Arrington seconded the motion, which was unanimously approved by a vote of the Committee.

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

The meeting adjourned at approximately 11:29 a.m.

Respectfully submitted,
Kathryn Cataldo