

**AGENDA ITEM 2.**

**REVIEW OF THE MINUTES OF THE JUNE 16, 2022  
AUDIT COMMITTEE MEETING**

**Submitted for:** Action.

**Summary:** This report includes the minutes for the Audit Committee meeting held on June 16, 2022.

**Action requested:** That the Audit Committee approve the minutes of the June 16, 2022 meeting.

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

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

**June 16, 2022**

**11:00 a.m.**

**COMMISSIONERS PRESENT via WebEx:**

Niketa Brar, Commissioner, Audit Chair and Committee Member  
Elizabeth Lopez, Commissioner, Vice Chair, Audit Committee Member  
Daryl Arrington, Commissioner, Audit 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  
Natalie Wandall, Secretary to Commission  
Manuel Talavera, Professional Development Specialist  
Dada Ibrahimovic, Professional Development Specialist  
Lisa Murphy-Coveny, Deputy General Counsel

**OTHERS PRESENT via WebEx:**

Jose Roa, Office of the Auditor General  
Hollis Hanson, Crowe Horwath

The Illinois Student Assistance Commission Audit Committee was called to order at 11:07 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 indicated that there would be a verbatim recording of the whole meeting, open and closed sessions, as required by law.

WebEx instructions, including those for public comment and closed session, were provided by Manuel Talavera.

Mr. Zarnikow announced that Jose Roa from the Auditor General's office and Hollis Hanson from Crowe Horwath were participating in the meeting and would be presenting to the Audit Committee during closed session.

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

### **Item 1. Announcements**

Committee Chair Brar announced that the next regularly scheduled Audit Committee meeting will be on Thursday September 22, 2022, at 11:00 a.m. She 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 April 14, 2022, Audit Committee Meeting (Action)**

Commissioner Arrington **MOVED THAT** the Audit Committee approve the minutes of the April 14, 2022, meeting of the Audit Committee. Commissioner Lopez seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee. Chair Brar abstained from the vote.

**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 noted that audit numbers 9 and 10 listed on page 3-1 of the agenda book have been mostly completed. He advised the Committee that the plan was on track to be completed by the end of June.

**Item 4. Approval 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. There was discussion regarding the development of the plan and the time frame for repeating audits.

Commissioner Lopez **MOVED** to approve the Fiscal Year 2023 Internal Audit Plan and approve the following resolution:

“**BE IT RESOLVED** that the Audit Committee has reviewed and approved the Fiscal Year 2023 Internal Audit Plan and recommends it to the Commission for final approval.”

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

**Item 5. Reassess and Approve the Internal Audit Charter (Action)**

Mr. Desai explained that the Internal Audit Charter, which details the duties and responsibilities of the Chief Internal Auditor, is required to be reviewed and approved periodically and/or when there are any updates. He advised that the charter was printed in the agenda book and that management did not recommend any changes.

Commissioner Arrington **MOVED** that the Audit Committee reassess and approve the Internal Audit Charter. Commissioner Lopez seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee.

**Item 6. Public Comment**

No requests for public comment were made.

**Item 7. Closed Session**

Commissioner Lopez **MOVED THAT** the Audit Committee go into closed session to discuss meeting with external Auditors, Crowe Horwath, closed minutes, Status Update & discussion of FY22 Audit Findings and the Chief Internal Auditor’s compensation as allowed by subsections 2(c)(1), (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 11:26 a.m. the Audit Committee went into closed session.

At approximately 11:53 a.m. the Audit Committee returned to open session.

**Item 8. Approval of Closed Session Items**

**Item 8A. Approval of Closed Minutes of the April 14, 2022, Meeting and Approval to Open (Action)**

Commissioner Arrington **MOVED** to approve the minutes of the April 14, 2022, closed session of the Audit Committee and that those minutes be opened to the public. Chair Brar seconded the motion, which was unanimously approved by a roll call vote of the Audit Committee. Chair Brar Abstained from the vote.

**Item 8B. Approval of the Internal Audit Budget, Resource Plan and the Chief Internal Auditor's Compensation for Fiscal Year 2023 (Action)**

Chair Brar acknowledged and expressed gratitude for the work of both the internal and external auditors.

Commissioner Lopez **MOVED** that the Audit Committee approve the Internal Audit budget and the Chief Internal Auditor's compensation for FY23. Chair Brar 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 11:57 a.m.

Respectfully submitted,

Lisa Murphy-Coveny