STATE AGENCY INTERNAL AUDIT FORUM

# MEETING MINUTES

## Friday, May 17, 2019

## 8:32 a.m. – 10:55 a.m.

## DPS

## 5805 North Lamar Blvd., Bldg. A

## Austin, Texas 78752

**8:32 a.m. – MEETING CALLED TO ORDER**

Welcome & Introductions:

* Chance Watson, SAIAF Chair, welcomed attendees
* Attendee introductions

**Presentation: State Agency Internal Audit Recruitment & Retention Best Practices, Leadership Development Program Cohort IX Capstone Project**

Nick Ballard, TRS

Cheryl Foreman, TDCJ

Karen Norman, ERS

Derrick Miller, DMV

Tammara West, TDI

* Project Objective: To develop a long-term strategy to recruit and retain internal auditing talent within state government
* The group presented their methodology and an overview of the state agency audit environment including auditor classifications and how long auditors have been with the state.
* The group presented recruitment and retention challenges and best practices.
* The group discussed key takeaways and additional innovative ideas.
* SAIAF members discussed Handshake which is a tool to send postings to multiple colleges and universities.
* SAIAF members discussed whether auditors within state government are trying to develop a qualified pool or are just looking within their own agencies.

**Committee Updates**

State Auditor's Office - Audrey O'Neill

* The SAO is gearing up for the implementation of the new Yellow Book.
* The SAO is augmenting processes related to internal control. During the planning phase of an audit, they will be asking more questions related to internal control that are not program specific (tone at the top.)
* Project entrance conference agendas will include a COSO component.

**Presentation: Three Most Common Cloud Security Mistakes**

Jason Sheffield, Netskope

* Digital transformation has changed IT security architecture and data location.
* According to Gartner, 94% of breaches are the user's fault.
* There are three types of Cloud: Public, Private and Hybrid.
* Could security has risks and challenges.
* Consider using the same security profiles, policies and controls across SaaS, IaaS, and web services to reduce complexity.
* ACloud.guru and udemy.com offer training. Each has a different pricing structure.

Minutes from April 26, 2019 meeting for approval:

* No changes offered by attendees
* Vote by Acclamation = unanimous AYE, zero NAY, zero ABSTAIN
* RESULT = ACCEPTED

Open Officer Position Elections

Chance Watson was nominated for the Chair position. The nomination was seconded. The attendees voted and Chance Watson was elected with unanimous AYE, zero Nay, zero ABSTAIN.

Amanda Jenami was nominated for the Vice-Chair position. The nomination was seconded. The attendees voted and Amanda Jenami was elected with unanimous AYE, zero Nay, zero ABSTAIN.

**Committee Updates - Continued**

Legislative Committee - Angelia Harris, Office of the Attorney General

* Angelia has created a report showing SAIAF tracked bills that are in Stage 4 or above.
* Last day of the 86th Regular Session is May 27. Angelia will issue a final report at that point.
* Let Angelia know if you have any changes to the bill tracking report.

Peer Review Committee - Open Discussion

* The new Yellow Book standards will need to be incorporated into the Peer Review Manual.
* A discussion was held about the Yellow Book requirements in the Texas Internal Auditing Act. Karin Hill and Catherine Melvin provided history behind the inclusion of the Yellow Book in the Act.

IT Committee - Zoi Kondis

* Zoi is gathering information on what we can do to get more technical, hands-on IT training.
* She will be sending out a survey to gather information and will ask about preferred price points, areas of value, and other issues. The survey will be open for approximately two weeks.
* ISACA might be able to sponsor some training.

State Auditor's Office - Jo Dale Guzman

* Jo Dale will be making decisions about the FY 2020 training calendar in mid-June.
* Price point for classes is important. Very few people register for expensive classes due to budget constraints.

SACC - Chance Watson

* The meeting was held on May 9.
* Work in Texas will be replaced.
* SB 65 was discussed at length.
* The next SACC meeting will be in August.

**Open Comments**

* The group discussed the potential need for new subcommittees.
* One possible subcommittee could be formed to recruit and develop internal auditors. Members of this subcommittee could visit colleges and collaborate with each other to further the profession.
* An audit software subcommittee might also be useful.
* The next SAIAF meeting will be August 16. Location TBD.

**10:55 a.m. – MEETING ADJOURNED**