

SB2638



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB2638

Introduced 2/8/2018, by Sen. James F. Clayborne, Jr.

SYNOPSIS AS INTRODUCED:

50 ILCS 310/5

from Ch. 85, par. 705

Amends the Governmental Account Audit Act. Provides that an audit report based on the governmental unit's selection of the accrual, cash, or modified cash basis of accounting meets all requirements for conformity with generally accepted accounting principles, including the certification of the accountant or accountants making the audit that the audit has been performed in compliance with generally accepted auditing standards. Effective immediately.

LRB100 16888 AWJ 32029 b

A BILL FOR

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Governmental Account Audit Act is amended by
5 changing Section 5 as follows:

6 (50 ILCS 310/5) (from Ch. 85, par. 705)

7 Sec. 5. The audit report shall contain statements that
8 conform with generally accepted accounting principles and that
9 set forth, insofar as possible, the financial position and
10 results of financial operations for each fund of the
11 governmental unit. Each audit report shall include only
12 financial information, findings and conclusions that are
13 adequately supported by evidence in the auditor's working
14 papers to demonstrate or prove, when called upon, the basis for
15 the matters reported and their correctness and reasonableness.
16 In connection with this, each governmental unit shall retain
17 the right of inspection of the auditor's working papers and
18 shall make them available to the Comptroller, or his designee,
19 upon request. The audit report shall also include the
20 professional opinion of the licensed public accountant with
21 respect to the financial statements or, if an opinion cannot be
22 expressed, a declaration that he is unable to express such
23 opinion and an explanation of the reasons he cannot do so. Each

1 audit report shall include the certification of the accountant
2 or accountants making the audit that the audit has been
3 performed in compliance with generally accepted auditing
4 standards.

5 An audit report based on the governmental unit's selection
6 of the accrual, cash, or modified cash basis of accounting
7 meets all requirements of this Section for conformity with
8 generally accepted accounting principles, including the
9 certification of the accountant or accountants making the audit
10 that the audit has been performed in compliance with generally
11 accepted auditing standards.

12 (Source: P.A. 85-1000.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.