

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 11 as follows:

6 (50 ILCS 310/11) (from Ch. 85, par. 711)

7 Sec. 11. Except as otherwise provided in Section 6-31011 of  
8 the Counties Code or Section 8-8-10 of the Illinois Municipal  
9 Code, the ~~The~~ governing body of a governmental unit may  
10 establish an audit committee, and may appoint members of the  
11 corporate authority or other appropriate officers to the  
12 committee, to review audit reports prepared under this Act and  
13 any other financial reports and documents, including  
14 management letters prepared by or on behalf of the unit.

15 (Source: P.A. 82-644.)

16 Section 10. The Counties Code is amended by changing  
17 Section 6-31011 as follows:

18 (55 ILCS 5/6-31011) (from Ch. 34, par. 6-31011)

19 Sec. 6-31011. Finance and audit ~~Audit~~ committee. On the  
20 effective date of this amendatory Act of the 98th General  
21 Assembly, the ~~The~~ corporate authorities of a county shall ~~may~~

1 establish a finance and ~~an~~ audit committee, and shall ~~may~~  
2 appoint members of the corporate authority, or other  
3 appropriate officers, and members of the public to the  
4 committee, to review audit reports prepared under this Division  
5 and any other financial reports and documents, ~~including~~  
6 ~~management letters~~ prepared by or on behalf of the county.

7 The duties of the finance and audit committee shall  
8 include, but are not limited to:

9 (1) inspecting, on a semi-annual basis, the  
10 treasurer's books and accounts;

11 (2) reviewing, on a semi-annual basis, all financial  
12 accounts and financial activities of the county with any  
13 bank, savings and loan association, savings bank, credit  
14 union, or any other financial institution;

15 (3) reviewing, on an annual basis, a list of all county  
16 accounts with any bank, savings and loan association,  
17 savings bank, credit union or any other financial  
18 institution;

19 (4) reviewing, on a semi-annual basis, any management  
20 letters prepared by or on behalf of the county;

21 (5) reviewing, on an annual basis, all audit reports  
22 prepared under this Division; and

23 (6) reviewing any other financial reports and  
24 documents prepared by or on behalf of the county.

25 (Source: P.A. 86-962.)

1 Section 15. The Illinois Municipal Code is amended by  
2 changing Section 8-8-10 as follows:

3 (65 ILCS 5/8-8-10) (from Ch. 24, par. 8-8-10)

4 Sec. 8-8-10. Finance and audit committee. On the effective  
5 date of this amendatory Act of the 98th General Assembly, the  
6 ~~The~~ corporate authorities of a municipality shall ~~may~~ establish  
7 a finance and an audit committee, and shall ~~may~~ appoint members  
8 of the corporate authority, or other appropriate officers, and  
9 members of the public to the committee, to review audit reports  
10 prepared under this Act and any other financial reports and  
11 documents, ~~including management letters~~ prepared by or on  
12 behalf of the municipality.

13 The duties of the finance and audit committee shall  
14 include, but are not limited to:

15 (1) inspecting, on a semi-annual basis, the  
16 treasurer's books and accounts;

17 (2) reviewing, on a semi-annual basis, all financial  
18 accounts and financial activities of the municipality with  
19 any bank, savings and loan association, savings bank,  
20 credit union, or any other financial institution;

21 (3) reviewing, on an annual basis, a list of all  
22 municipal accounts with any bank, savings and loan  
23 association, savings bank, credit union or any other  
24 financial institution;

25 (4) reviewing, on a semi-annual basis, any management

1           letters prepared by or on behalf of the municipality;  
2           (5) reviewing, on an annual basis, all audit reports  
3           prepared under this Act; and  
4           (6) reviewing any other financial reports and  
5           documents prepared by or on behalf of the municipality.

6           (Source: P.A. 82-644.)

7           Section 99. Effective date. This Act takes effect upon  
8           becoming law.