



Rep. Michael J. Madigan

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LRB097 20441 HLH 69432 a

1 AMENDMENT TO SENATE BILL 3794

2 AMENDMENT NO. _____. Amend Senate Bill 3794 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Financial Reporting Standards Board Act.

6 Section 5. Definitions. As used in this Act:

7 "Board" means the Financial Reporting Standards Board
8 created under Section 10 of this Act.

9 "CAFR" means the Comprehensive Annual Financial Report
10 required under Section 19.5 of the State Comptroller Act.

11 "Comptroller" means the Comptroller of the State of
12 Illinois.

13 "GAAP Coordinator" means a designated representative,
14 employed by a State agency or component unit of the State, who
15 is responsible for submission to the Office of the Comptroller
16 all required documentation, as determined by the Office of the

1 Comptroller, necessary for the preparation of the
2 Comprehensive Annual Financial Report.

3 "Internal auditor" means an auditor employed by a State
4 agency under the Fiscal Control and Internal Auditing Act.

5 "Licensed Certified Public Accountant" has the meaning
6 provided in Section 0.03 of the Illinois Public Accounting Act.

7 "Registered Certified Public Accountant" has the meaning
8 provided in Section 0.03 of the Illinois Public Accounting Act.

9 "State agency" means all departments, officers,
10 commissions, boards, authorities, institutions, universities,
11 foundations, and bodies politic and corporate of the State that
12 are required to submit financial reporting information to the
13 Office of the Auditor General, the Office of the Comptroller,
14 or the federal government. "State agency" does not include the
15 legislative branch or judicial branch.

16 Section 10. Financial Reporting Standards Board; creation.

17 (a) There is created the Financial Reporting Standards
18 Board. The Board shall assist the State in improving the
19 timeliness, quality, and processing of financial reporting for
20 the State.

21 (b) The Board shall consist of 3 members appointed by the
22 Comptroller and 3 members appointed by the Governor, all with
23 the advice and consent of the Senate.

24 (c) At least one member appointed by the Comptroller and at
25 least one member appointed by the Governor shall be a licensed

1 or registered Certified Public Accountant. Any member who is
2 not a licensed or registered Certified Public Accountant shall
3 have relevant experience in business, government accounting,
4 or finance.

5 (d) Of the initial members appointed to the Board: one
6 member appointed by the Comptroller and one member appointed by
7 the Governor shall be appointed for a 2-year term; one member
8 appointed by the Comptroller and one member appointed by the
9 Governor shall be appointed for a 3-year term; and one member
10 appointed by the Comptroller and one member appointed by the
11 Governor shall be appointed for a 4-year term. Those members
12 may be reappointed for 4-year terms. Their successors shall be
13 appointed for 4-year terms and may be reappointed. A vacancy on
14 the Board shall be filled for the remainder of the unexpired
15 term, in the same manner and by the same officer who made the
16 original appointment.

17 (e) The Comptroller and the Governor shall each designate
18 one of their appointed members as co-chairperson of the Board.

19 (f) The Board shall meet at least 2 times each year and at
20 other times at the call of the chairpersons. Meetings of the
21 Board shall be subject to the provisions of the Open Meetings
22 Act.

23 (g) The members of the Board shall serve without
24 compensation, but may be reimbursed for expenses.

25 Section 15. Powers. The Board has the following powers:

1 (1) to have a corporate seal, and to alter that seal at
2 pleasure, and to use it by causing it or a facsimile to be
3 affixed or impressed or reproduced in any other manner;

4 (2) to use the services of the Office of the
5 Comptroller and the Office of the Governor to carry out the
6 Board's purposes, subject to the approval of the respective
7 office;

8 (3) to assist State agencies with being timely and
9 accurate in the processing of financial reporting for the
10 State by:

11 (A) establishing minimum qualifications for all
12 new GAAP Coordinators, in cooperation with the
13 Comptroller's Division of Financial Reporting;

14 (B) establishing minimum training requirements for
15 GAAP Coordinators, in cooperation with the
16 Comptroller's Division of Financial Reporting;

17 (C) establishing continuing education requirements
18 for GAAP Coordinators, in cooperation with the
19 Comptroller's Division of Financial Reporting;

20 (D) establishing best practice guidelines for GAAP
21 package submissions, in cooperation with the
22 Comptroller's Division of Financial Reporting; and

23 (E) providing assistance during the GAAP cycle, in
24 cooperation with the Comptroller's Financial Reporting
25 Division and the Governor's Office of Management and
26 Budget;

1 (4) to make available to the Comptroller or Governor
2 any information related to the processing of financial
3 reports that the Board may deem necessary to enable it
4 effectively to carry out the provisions of this Act;

5 (5) to promulgate rules with respect to its operations
6 as may be necessary to carry out the purposes of this Act,
7 subject to the provisions of the Illinois Administrative
8 Procedure Act;

9 (6) to consult with other states and private businesses
10 that have successfully modernized and streamlined their
11 financial reporting systems;

12 (7) to use current State resources that are already
13 available inside of State government, and to use current
14 financial reporting principles and practices, including,
15 but not limited to, principles and practices of the Auditor
16 General and the Comptroller; and

17 (8) to participate in the development of a statewide
18 GAAP-compliant financial reporting system.

19 Section 20. Audits.

20 (a) The Internal Auditor of every State agency that submits
21 a GAAP package must submit an annual audit of its GAAP and
22 financial statement process, if applicable, to the Board.

23 (b) The Board shall review all information submitted and
24 may prepare a report for the Comptroller and the Governor.

1 Section 25. Responsibilities of other parties.

2 (a) The Comptroller's Division of Financial Reporting, in
3 cooperation with the Governor's Office of Management and
4 Budget, shall assist State agencies during the GAAP process and
5 shall review GAAP packages and preparation of the CAFR.

6 (b) The Comptroller's Division of Financial Reporting and
7 the Governor's Office of Management and Budget shall cooperate
8 with the Board in the following matters:

9 (1) the development of a GAAP training program for
10 State agencies;

11 (2) the development of continuing education for
12 employees of State agencies; and

13 (3) the development of detailed standards for GAAP
14 reporting by State agencies.

15 (c) State agencies must adhere to the Board's guidance in
16 regards to GAAP package processing and maintaining minimum
17 standards for qualifications, training, and education for GAAP
18 Coordinators.

19 Section 30. Cooperation. All State agencies must render
20 full cooperation to the Board and its employees, consistent
21 with and subject to all otherwise applicable laws, regulations,
22 rules and contractual obligations, including collective
23 bargaining agreements, and budget constraints of the agencies.

24 Section 90. Repeal. This Act is repealed on June 30, 2016.

1 Section 100. The Personnel Code is amended by changing
2 Section 4c as follows:

3 (20 ILCS 415/4c) (from Ch. 127, par. 63b104c)

4 Sec. 4c. General exemptions. The following positions in
5 State service shall be exempt from jurisdictions A, B, and C,
6 unless the jurisdictions shall be extended as provided in this
7 Act:

8 (1) All officers elected by the people.

9 (2) All positions under the Lieutenant Governor,
10 Secretary of State, State Treasurer, State Comptroller,
11 State Board of Education, Clerk of the Supreme Court,
12 Attorney General, and State Board of Elections.

13 (3) Judges, and officers and employees of the courts,
14 and notaries public.

15 (4) All officers and employees of the Illinois General
16 Assembly, all employees of legislative commissions, all
17 officers and employees of the Illinois Legislative
18 Reference Bureau, the Legislative Research Unit, and the
19 Legislative Printing Unit.

20 (5) All positions in the Illinois National Guard and
21 Illinois State Guard, paid from federal funds or positions
22 in the State Military Service filled by enlistment and paid
23 from State funds.

24 (6) All employees of the Governor at the executive

1 mansion and on his immediate personal staff.

2 (7) Directors of Departments, the Adjutant General,
3 the Assistant Adjutant General, the Director of the
4 Illinois Emergency Management Agency, members of boards
5 and commissions, and all other positions appointed by the
6 Governor by and with the consent of the Senate.

7 (8) The presidents, other principal administrative
8 officers, and teaching, research and extension faculties
9 of Chicago State University, Eastern Illinois University,
10 Governors State University, Illinois State University,
11 Northeastern Illinois University, Northern Illinois
12 University, Western Illinois University, the Illinois
13 Community College Board, Southern Illinois University,
14 Illinois Board of Higher Education, University of
15 Illinois, State Universities Civil Service System,
16 University Retirement System of Illinois, and the
17 administrative officers and scientific and technical staff
18 of the Illinois State Museum.

19 (9) All other employees except the presidents, other
20 principal administrative officers, and teaching, research
21 and extension faculties of the universities under the
22 jurisdiction of the Board of Regents and the colleges and
23 universities under the jurisdiction of the Board of
24 Governors of State Colleges and Universities, Illinois
25 Community College Board, Southern Illinois University,
26 Illinois Board of Higher Education, Board of Governors of

1 State Colleges and Universities, the Board of Regents,
2 University of Illinois, State Universities Civil Service
3 System, University Retirement System of Illinois, so long
4 as these are subject to the provisions of the State
5 Universities Civil Service Act.

6 (10) The State Police so long as they are subject to
7 the merit provisions of the State Police Act.

8 (11) (Blank).

9 (12) The technical and engineering staffs of the
10 Department of Transportation, the Department of Nuclear
11 Safety, the Pollution Control Board, and the Illinois
12 Commerce Commission, and the technical and engineering
13 staff providing architectural and engineering services in
14 the Department of Central Management Services.

15 (13) All employees of the Illinois State Toll Highway
16 Authority.

17 (14) The Secretary of the Illinois Workers'
18 Compensation Commission.

19 (15) All persons who are appointed or employed by the
20 Director of Insurance under authority of Section 202 of the
21 Illinois Insurance Code to assist the Director of Insurance
22 in discharging his responsibilities relating to the
23 rehabilitation, liquidation, conservation, and dissolution
24 of companies that are subject to the jurisdiction of the
25 Illinois Insurance Code.

26 (16) All employees of the St. Louis Metropolitan Area

1 Airport Authority.

2 (17) All investment officers employed by the Illinois
3 State Board of Investment.

4 (18) Employees of the Illinois Young Adult
5 Conservation Corps program, administered by the Illinois
6 Department of Natural Resources, authorized grantee under
7 Title VIII of the Comprehensive Employment and Training Act
8 of 1973, 29 USC 993.

9 (19) Seasonal employees of the Department of
10 Agriculture for the operation of the Illinois State Fair
11 and the DuQuoin State Fair, no one person receiving more
12 than 29 days of such employment in any calendar year.

13 (20) All "temporary" employees hired under the
14 Department of Natural Resources' Illinois Conservation
15 Service, a youth employment program that hires young people
16 to work in State parks for a period of one year or less.

17 (21) All hearing officers of the Human Rights
18 Commission.

19 (22) All employees of the Illinois Mathematics and
20 Science Academy.

21 (23) All employees of the Kankakee River Valley Area
22 Airport Authority.

23 (24) The commissioners and employees of the Executive
24 Ethics Commission.

25 (25) The Executive Inspectors General, including
26 special Executive Inspectors General, and employees of

1 each Office of an Executive Inspector General.

2 (26) The commissioners and employees of the
3 Legislative Ethics Commission.

4 (27) The Legislative Inspector General, including
5 special Legislative Inspectors General, and employees of
6 the Office of the Legislative Inspector General.

7 (28) The Auditor General's Inspector General and
8 employees of the Office of the Auditor General's Inspector
9 General.

10 (29) All employees of the Illinois Power Agency.

11 (30) Employees having demonstrable accounting,
12 financial reporting, or technical expertise who are
13 employed within executive branch agencies that are
14 required to submit to the Office of the Comptroller
15 financial information for the publication of the
16 Comprehensive Annual Financial Report (CAFR).

17 (Source: P.A. 97-618, eff. 10-26-11.)

18 Section 999. Effective date. This Act takes effect upon
19 becoming law.".