

State Internal Audit Advisory Board (SIAAB)

Statement of Independence

Instructions for this form:

- (1) This form is to be used for any Quality Assurance Project of a State Internal Audit Department. A Quality Assurance Project includes External Quality Assurance Assessments, Self-Assessment with Independent Validations, or Subsequent Reviews.
- (2) This form is to be submitted to the Quality Assurance Coordinator after being completed in the following manner:
 - a. Annually by SIAAB Board members for approval at the March meeting.
 - b. Annually by Special Assistants for approval at the March meeting and throughout the year as needed.
 - c. For each Quality Assurance Activity by the respective Quality Assurance team member(s) or External Validator(s).

State Internal Audit Advisory Board (SIAAB)
Statement of Independence for Quality Assurance Activities

TO: SIAAB Quality Assurance Coordinator
RE: Quality Assurance Statement of Independence

The Professional Standards and the Code of Ethics promulgated by SIAAB established by the Fiscal Control and Internal Auditing Act of the State of Illinois requires that all Quality Assurance Participants (whether acting as an independent reviewer/validator; Special Assistant; and/or Board member) be independent in performing a Quality Assurance Activity (whether an external quality assurance assessment, self-assessment with independent validation, or a subsequent review).

SIAAB's Bylaws (Article III - Section 1.2) defines Quality Assurance as an independent, external assessment of the quality and performance of an Internal Audit Organization's compliance with professional standards and Code of Ethics adopted in SIAAB's Bylaws Article II, Sections III and IV and applicable provisions of the Fiscal Control and Internal Auditing Act.

Examples of personal impairments include, but are not limited to the following:

- a. Immediate family or a close family member who is a director or officer of the quality assurance/self-assessment entity or is in a position to exert direct and significant influence over the entity. Immediate family member is a spouse, spouse equivalent, or dependent (whether or not related). A close family member is a parent, sibling, or nondependent child;
- b. Financial interest that is direct, or is significant/material though indirect, in the quality assurance/self-assessment entity;
- c. Responsibility for providing consulting and/or internal /external assurance services of the entity, or decision-making that could affect operations of the entity within the previous year. For example, past or concurrent consulting services and/or internal/external audit services; maintaining official accounting records when such services involved preparing source documents or originating data, in electronic or other form; posting transactions, authorizing, executing, or consummating transactions; maintaining an entity's bank account or otherwise having custody of the entity's funds; or otherwise exercising authority on behalf of the entity or having authority to do so. Quality assurance team members, external validators, special assistants and/or SIAAB members should refrain from conducting quality assurance reviews/external validations/subsequent reviews over an entity or program for which they were previously responsible. Objectivity is presumed to be impaired if a quality assurance team member, external validator, special assistant, and/or SIAAB member provides quality assurance services for an activity for which they had responsibility within the previous year;
- d. Preconceived ideas toward individuals, groups, organizations, or objectives of a particular program that could bias the quality assurance activity;
- e. Biases, including those induced by political, ideological, or social convictions that result from employment in, or loyalty to, a particular type of policy, group, organization, or level of government; and,
- f. Seeking employment with the entity during the conduct of the quality assurance activity.

October 15, 2014

Affirmation of Independence for Quality Assurance Activity:

_____ As an independent reviewer/validator for _____ (insert name of the quality assurance/self-assessment entity), I disclose the following which may impair, or give the appearance of impairing, my independence and objectivity in accordance with the above. If during the year I become aware of impairment, in fact or in appearance, I agree to notify the SIAAB's Quality Assurance Coordinator immediately.

_____ In accordance with the above, I am a Special Assistant or Board member (circle one) and disclose the following which may impair, or give the appearance of impairing, my independence and objectivity for any audit organization listed under the State Internal Audit Managers Group on SIAAB's website. If during the year I become aware of impairment, in fact or in appearance, I agree to notify the SIAAB's Quality Assurance Coordinator immediately.

Certification of Compliance with CPE Requirements:

_____ As a quality assurance team member, external validator, special assistant, and/or SIAAB member, I certify that I am in compliance with the SIAAB's continuing professional education requirements as set forth in the SIAAB Bylaws, Article II, Section V, Paragraph 2.5.1.

Print Name of Quality Assurance Participant /
SIAAB Board Member

Signature of Quality Assurance Participant /
SIAAB Board Member

Date

Approval by Quality Assurance Coordinator /
SIAAB Board Member

Date