



State of Wisconsin
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: November 17, 2016
To: Audit Committee
From: Yikchau Sze, Director
Office of Internal Audit
Subject: Office of Internal Audit (OIA) Independence Affirmation

This memo is for informational purposes only. No Board action is required.

International Standards for the Professional Practice of Internal Auditing Standard (the Standards) 1100 Independence and Objectivity states:

The internal audit activity must be independent, and internal auditors must be objective in performing their work.

The Standards also require the chief audit executive confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function.

To the best of my knowledge in all matters relating to audit works, ETF's internal audit function is free -- both in fact and appearance -- from personal, external, or organizational impairments to independence.

The internal auditors of the OIA also annually certify their independence and compliance with independence Standards.

Attachments – Independence Affirmations of Internal Auditors of the OIA

- A. Rick Onasch
- B. Amelia Slaney
- C. Jacquelyn Van Marter

Reviewed and approved by Robert J. Conlin, Secretary

Electronically signed 11/28/16

Board	Mtg Date	Item #
AUD	12.15.16	3



State of Wisconsin
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931

1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: November 17, 2016
To: Yikchau Sze, Director
Office of Internal Audit
From: Richard A. Onasch, CFE
Office of Internal Audit
Subject: Internal Auditor's Independence Affirmation

International Standards for the Professional Practice of Internal Auditing Standard (the Standards)

The Standards 1120 Individual Objectivity states: *Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.*

The Standards 1130 Impairment to Independence or Objectivity states: *If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.*

Examples of Organizational and Personal Impairment:

- Internal auditor's access to records, personnel, and properties is restricted or limited that affect internal auditor's ability of conducting an audit.
- Official, professional, personal, or financial relationships that might cause the internal auditor to limit the extent of the inquiry, to limit disclosure, or to weaken audit findings in any way.
- Preconceived ideas toward individuals, groups, or objectives of a particular program that could bias the audit.
- Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year.

Possible Impairments to My Independence

To the best of my knowledge in all matters relating audit works at Employee Trust Funds, I am not aware of any circumstances that are both in fact and appearance would impair my independence and objectivity, except as disclosed below:

None.

Responsibility to Update This Disclosure

I understand that I am responsible to make timely written notification in the event any circumstance arises during the course of this year that might impair or appear to impair my independence with respect to any audit.

Signature: Richard A. Ornesch

Date: 11/17/2016



State of Wisconsin
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931

1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: November 17, 2016

To: Yikchau Sze, Director
Office of Internal Audit

From: Amelia Slaney
Office of Internal Audit

Subject: Internal Auditor's Independence Affirmation

International Standards for the Professional Practice of Internal Auditing Standard (the Standards)

The Standards 1120 Individual Objectivity states: *Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.*

The Standards 1130 Impairment to Independence or Objectivity states: *If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.*

Examples of Organizational and Personal Impairment:

- Internal auditor's access to records, personnel, and properties is restricted or limited that affect internal auditor's ability of conducting an audit.
- Official, professional, personal, or financial relationships that might cause the internal auditor to limit the extent of the inquiry, to limit disclosure, or to weaken audit findings in any way.
- Preconceived ideas toward individuals, groups, or objectives of a particular program that could bias the audit.
- Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year.

Possible Impairments to My Independence

To the best of my knowledge in all matters relating audit works at Employee Trust Funds, I am not aware of any circumstances that are both in fact and appearance would impair my independence and objectivity, except as disclosed below:

Responsibility to Update This Disclosure

I understand that I am responsible to make timely written notification in the event any circumstance arises during the course of this year that might impair or appear to impair my independence with respect to any audit.

Signature:

Amelia Slaney

Date:

11/15/16



State of Wisconsin
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: Nov. 18, 2016
To: Yikchau Sze, Director
Office of Internal Audit
From: Jackie Van Marter
~~Office of Internal Audit~~ Y.S.
Subject: Internal Auditor's Independence Affirmation

International Standards for the Professional Practice of Internal Auditing Standard (the Standards)

The Standards 1120 Individual Objectivity states: *Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.*

The Standards 1130 Impairment to Independence or Objectivity states: *If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.*

Examples of Organizational and Personal Impairment:

- Internal auditor's access to records, personnel, and properties are restricted or limited that affect internal auditor's ability of concluding an audit.
- Official, professional, personal, or financial relationships that might cause the internal auditor to limit the extent of the inquiry, to limit disclosure, or to weaken audit findings in any way.
- Preconceived ideas toward individuals, groups, or objectives of a particular program that could bias the audit.
- Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year.

Possible Impairments to My Independence

To the best of my knowledge in all matters relating audit works at Employee Trust Funds, I am not aware of any circumstances that are both in fact and appearance would impair my independence and objectivity, except as disclosed below:

Responsibility to Update This Disclosure

I understand that I am responsible to make timely written notification in the event any circumstance arises during the course of this year that might impair or appear to impair my independence with respect to any audit.

Signature: J H Van Marter

Date: Effective 1/1/2016 - 11/11/2016