

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

CONFERENCE COMMITTEE SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 1441

By: McCorkell of the House

and

Brown of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to state government; amending 74 O.S. 1991, Section 212A, as amended by Section 8, Chapter 260, O.S.L. 1993 (74 O.S. Supp. 1993, Section 212A), which relates to financial audits; providing for audits of government entities; modifying requirements; requiring certain reports; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 1991, Section 212A, as amended by Section 8, Chapter 260, O.S.L. 1993 (74 O.S. Supp. 1993, Section 212A), is amended to read as follows:

Section 212A. A. 1. All public government entities ~~receiving public funds shall cause to be prepared by the State Auditor and Inspector or a public accountant, or a certified public accountant, a financial statement audit, as defined by the~~ Governmental Accounting Standards Board, shall have an audit prepared in accordance with generally accepted auditing standards and ~~generally accepted government auditing standards, as of the end of each fiscal year~~ Government Auditing Standards. Copies shall be filed with the State Auditor and Inspector by the auditor that prepared the audit. The expense of the audit shall be paid by the public government entity.

2. Any public accountant or certified public accountant filing a report with the State Auditor and Inspector pursuant to this section shall be required to pay a filing fee of Forty Dollars (\$40.00) for the purposes of processing such reports and

ensuring compliance with the provisions of this section. Such payments shall be deposited in the State Auditor and Inspector Revolving Fund, created pursuant to Section 227.9 of this title.

~~B. All accountants or partnerships of accountants, before entering into audit contracts required under this article, shall satisfy the State Auditor and Inspector that such accountant or at least one partner of a partnership of accountants is a resident of the State of Oklahoma with at least two (2) years of public accounting experience and is currently maintaining an office in the State of Oklahoma. Accountants or partnerships of accountants shall make application for approval by the State Auditor and Inspector for the ensuing year on or before the first day of March of each calendar year. Each accountant or partnership of accountants shall also satisfy the State Auditor and Inspector that such accountants or partnership of accountants has been licensed by the State Board of Public Accountancy before being placed on the list of approved auditors~~ All registrants, as defined in the Oklahoma Accountancy Act, before entering into audit contracts required under this section, shall satisfy the Oklahoma Accountancy Board and the State Auditor and Inspector that such registrant meets Government Auditing Standards and has a current permit to practice issued by the Oklahoma Accountancy Board.

The State Auditor and Inspector shall receive annual reports from the Oklahoma Accountancy Board of all registrants meeting the requirements of this subsection. The Oklahoma Accountancy Board shall provide changes and updates to the annual report to the State Auditor and Inspector at least quarterly.

C. ~~Independent Auditor's Reports on schedules~~ Schedules of federal financial assistance will be in a form consistent with the ~~Auditor's reports guidance in audits of state and local governmental units~~ "Audits of State and Local Governmental Units", which is prepared by "The American Institute of Certified Public Accountants" and recognized by ~~government auditing standards of~~ Government Auditing Standards issued by the Comptroller General of the United States. State agencies or other pass through grantors

of Federal Financial Assistance will not place ~~audit~~ reporting requirements on a grantee or sub-recipients in addition to the required federal compliance reports and schedules of Federal Financial Assistance, without approval of the State Auditor and Inspector.

SECTION 2. This act shall become effective July 1, 1994.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-2-L9735 SD