

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

CONFERENCE COMMITTEE SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 1577

By: Dorman, Young and Askins of  
the House

and

Leftwich of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to state government; amending 74 O.S. 2001, Section 213.2, which relates to performance audits; modifying duties of the Performance Audit Division of the Office of the State Auditor and Inspector; providing for distribution of copies of examinations; modifying procedure for requesting a performance audit; providing for payment of costs; requiring submission of cost estimates; modifying distribution of certain report; and providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 213.2, is amended to read as follows:

Section 213.2 A. There is hereby created in the Office of the State Auditor and Inspector a Performance Audit Division, subject to the discretion of the State Auditor and Inspector. An Assistant State Auditor and Inspector may be appointed to direct the operations of the Division, subject to the supervision and control of the State Auditor and Inspector at all times.

B. The State Auditor and Inspector, deputies and agents of the Performance Audit Division may examine all books and accounts of all public officers, institutions and other governmental entities specified in Sections ~~211~~ 212 through 227.9 of this title to instruct the proper officers thereof in the performance of their duties and to prescribe ~~and enforce~~ cost-effective methods of

operating such governmental entities; provided, however, the State Auditor and Inspector shall perform the examinations authorized in this subsection upon receiving a written request to do so by the Governor, the chief executive officer of a governmental entity or pursuant to a joint or concurrent resolution of the Legislature. ~~The entire cost of any examinations requested by the Governor, the chief executive officer of a governmental entity or pursuant to a concurrent resolution of the Legislature shall be borne by the audited entity.~~ A copy of the examination shall be given to the examined entity. A copy of any examination conducted pursuant to this subsection shall be submitted to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the appropriations and budget chairs of the House of Representatives and the Senate, and the Minority Leader of the House of Representatives and of the Senate.

C. The cost of the examinations authorized pursuant to subsection B of this section shall be borne by the examined agency in an amount not to exceed the actual costs of the examination. Prior to the start of such an examination, the State Auditor and Inspector shall prepare in writing and present to the affected state agency an estimate of the cost of the examination. If the estimate requires revision, the State Auditor and Inspector shall notify the agency in a prompt manner. Except as otherwise provided, the State Auditor and Inspector shall recover its costs for the examination pursuant to monthly progress billings presented by the State Auditor and Inspector to the Office of State Finance detailing current monthly costs for each examination. In addition, the State Auditor and Inspector shall provide a copy of the billing to the affected state agency. The Office of State Finance may deduct the amounts billed from the next subsequent allotment for the corresponding state agency and transfer the funds to the State Auditor and Inspector's Revolving Fund.

D. The salaries and traveling expenses of the Assistant State Auditor and Inspector, deputies and agents of the Performance Audit Division and the costs of material, supplies and equipment for the Division shall be paid from funds made available through appropriation by the Legislature. ~~For the fiscal year beginning July 1, 1992, and each fiscal year thereafter, the costs of the examinations authorized pursuant to subsection B of this section shall be paid for by the audited entity in an amount not to exceed the lesser of the actual costs of such audit or the amount of the proposed financial savings which would be generated if the audited entity fully complied with the direction of the Performance Audit Division as provided by this section.~~

~~D.~~ E. The State Auditor and Inspector shall submit an annual report ~~evidencing the cumulative financial savings to the state as a result of the audits and directions of the~~ Performance Audit Division to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, appropriations and budget chairs of the House of Representatives and the Senate, and the Minority Leader of the Senate and of the House of Representatives.

SECTION 2. This act shall become effective July 1, 2004.

49-1-7113            SCE            05/29/03