

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 1253 By: Ivester of the Senate
3 and
4 Faught of the House
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7 (State Auditor and Inspector - requiring deposit of
8 funds - effective date -
9 emergency)

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11 AUTHOR: Add the following House Coauthor: Ritze

12 AMENDMENT NO. 1. Strike the stricken title, enacting clause and
13 entire bill and insert

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15 "An Act relating to the State Auditor and Inspector;
16 amending 74 O.S. 2011, Sections 213, 219A and 227.9,
17 which relate to services provided by the State
18 Auditor and Inspector; requiring deposit of certain
19 funds in State Auditor and Inspector Revolving Fund;
authorizing certain examinations at the discretion
of the State Auditor and Inspector; authorizing
electronic copies of examinations; and expanding
sources of payment for examinations.

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

23 SECTION 1. AMENDATORY 74 O.S. 2011, Section 213.2, is
24 amended to read as follows:

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

7 B. The State Auditor and Inspector, deputies and agents of the
8 Performance Audit Division may examine all books and accounts of all
9 public officers, institutions and other governmental entities
10 specified in Sections 212 through 227.9 of this title to instruct
11 the proper officers thereof in the performance of their duties and
12 to prescribe cost-effective methods of operating such governmental
13 entities; provided, however, the State Auditor and Inspector shall
14 perform the examinations authorized in this subsection upon
15 receiving a written request to do so by the Governor, the chief
16 executive officer of a governmental entity or pursuant to a joint or
17 concurrent resolution of the Legislature or at the discretion of the
18 State Auditor and Inspector. A An electronic copy of the
19 examination shall be given to the examined entity. A copy of any
20 examination conducted pursuant to this subsection shall be submitted
21 to the Governor, the Speaker of the House of Representatives, the
22 President Pro Tempore of the Senate, the appropriations and budget
23 chairs of the House of Representatives and the Senate, and the
24 Minority Leader of the House of Representatives and of the Senate.

1 C. The cost of the examinations authorized pursuant to
2 subsection B of this section shall be borne by the examined agency
3 in an amount not to exceed the actual costs of the examination or
4 from funds made available to conduct such examinations. Prior to
5 the start of such an examination, the State Auditor and Inspector
6 shall prepare in writing and present to the affected state agency an
7 estimate of the cost of the examination. If the estimate requires
8 revision, the State Auditor and Inspector shall notify the agency in
9 a prompt manner. Except as otherwise provided, the State Auditor
10 and Inspector shall recover its costs for the examination pursuant
11 to monthly progress billings presented by the State Auditor and
12 Inspector to the Office of State Finance detailing current monthly
13 costs for each examination. In addition, the State Auditor and
14 Inspector shall provide a copy of the billing to the affected state
15 agency. The Office of State Finance may deduct the amounts billed
16 from the next subsequent allotment for the corresponding state
17 agency and transfer the funds to the State Auditor and Inspector
18 Revolving Fund.

19 D. The salaries and traveling expenses of the Assistant State
20 Auditor and Inspector, deputies and agents of the Performance Audit
21 Division and the costs of material, supplies and equipment for the
22 Division shall be paid from funds made available through
23 appropriation by the Legislature.
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1 E. The State Auditor and Inspector shall submit an annual
2 report of the Performance Audit Division to the Governor, the
3 President Pro Tempore of the Senate, the Speaker of the House of
4 Representatives, appropriations and budget chairs of the House of
5 Representatives and the Senate, and the Minority Leader of the
6 Senate and of the House of Representatives.

7 SECTION 2. AMENDATORY 74 O.S. 2011, Section 219A, is
8 amended to read as follows:

9 Section 219A. The State Auditor and Inspector shall provide
10 adequate continuing professional education for all staff members
11 necessary to comply fully with federal requirements to ensure the
12 acceptability of all audits performed under Section ~~2~~ 212 of this
13 ~~act~~ title. Such training may take the form of courses presented by
14 competent state and federal employees, the American Institute of
15 Certified Public Accountants and other organizations recognized by
16 the Office of Management and Budget as competent to provide such
17 training. Employees of other state entities who can demonstrate
18 they are mandated to participate in continuing professional
19 education because of their assignment may be included in relevant
20 training sessions if, within available resources, the State Auditor
21 and Inspector is reimbursed for the costs of their participation.
22 All payments received by the State Auditor and Inspector from
23 providing continuing professional education shall be deposited to
24 the State Auditor and Inspector Revolving Fund.

1 SECTION 3. AMENDATORY 74 O.S. 2011, Section 227.9, is
2 amended to read as follows:

3 Section 227.9 There is hereby created in the State Treasury a
4 revolving fund for the Office of the State Auditor and Inspector to
5 be designated the "State Auditor and Inspector Revolving Fund". The
6 fund shall be a continuing fund, not subject to fiscal year
7 limitations, and shall consist of all money paid to and received by
8 the State Auditor and Inspector from all sources including, but not
9 limited to, state agencies, boards and commissions authorized by
10 statute to pay the expense of audits and consulting services, money
11 received for performance of audits and consulting services pursuant
12 to contract entered into under the authority ~~of Section 227.8 of~~
13 ~~this title~~ as provided by state law, funds received from state
14 agencies, boards and commissions receiving federal grants of funds
15 which require periodic audits under said grants or any federal
16 regulations, all money received from counties, cities, towns and
17 public trusts in payment of audit expense, funds appropriated to
18 state agencies, boards and commissions for payment of audit expense,
19 ~~and~~ fees collected pursuant to Section 212A of this title and any
20 other monies received by the State Auditor and Inspector. All
21 monies accruing to the credit of said fund are hereby appropriated
22 and may be budgeted and expended by the Office of the State Auditor
23 and Inspector for expenses necessary for the performance of duties
24 imposed upon the Office of the State Auditor and Inspector by law.

1 Expenditures from said fund shall be made upon warrants issued by
2 the State Treasurer against claims filed as prescribed by law with
3 the Director of State Finance for approval and payment. The State
4 Auditor and Inspector shall at the close of each fiscal year pay
5 into the General Revenue Fund of the state any unencumbered balance
6 remaining in said revolving fund in excess of Eight Hundred Fifty
7 Thousand Dollars (\$850,000.00)."

8 Passed the House of Representatives the 25th day of April, 2012.

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Presiding Officer of the House of
Representatives

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Passed the Senate the ____ day of _____, 2012.

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Presiding Officer of the Senate

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