

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 CONFERENCE COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL 1253

By: Ivester of the Senate

and

6 Faught and Ritze of the
7 House

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9 CONFERENCE COMMITTEE SUBSTITUTE

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

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

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

23 Section 213.2 A. There is hereby created in the Office of the
24 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

1 operations of the Division, subject to the supervision and control
2 of the State Auditor and Inspector at all times.

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

23 C. The cost of the examinations authorized pursuant to
24 subsection B of this section shall be borne by the examined agency

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

17 D. The salaries and traveling expenses of the Assistant State
18 Auditor and Inspector, deputies and agents of the Performance Audit
19 Division and the costs of material, supplies and equipment for the
20 Division shall be paid from funds made available through
21 appropriation by the Legislature.

22 E. The State Auditor and Inspector shall submit an annual
23 report of the Performance Audit Division to the Governor, the
24 President Pro Tempore of the Senate, the Speaker of the House of

1 Representatives, appropriations and budget chairs of the House of
2 Representatives and the Senate, and the Minority Leader of the
3 Senate and of the House of Representatives.

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

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

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

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

1 prescribed by law with the Director of State Finance for approval
2 and payment. The State Auditor and Inspector shall at the close of
3 each fiscal year pay into the General Revenue Fund of the state any
4 unencumbered balance remaining in ~~said~~ the revolving fund in excess
5 of Eight Hundred Fifty Thousand Dollars (\$850,000.00).

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