

1 duly appointed deputy or deputies of all of the books, records and
2 accounts of all the officers of each county of this state, which
3 audit shall be general in its nature and shall include an audit of
4 the books, records and accounts of all officers who collect or
5 disburse monies, fees, fines or public charges of any kind including
6 therein a tax roll audit, a claim audit, and an audit of each of the
7 justices of peace within the county.

8 B. 1. For purposes of this subsection, an audit shall be a
9 financial or performance audit defined as follows:

10 a. the financial audit shall be planned and conducted,
11 and the results of the work reported, in accordance
12 with auditing standards generally accepted in the
13 United States and Government Auditing Standards issued
14 by the Comptroller General of the United States,

15 b. the performance audit shall be planned and conducted,
16 and the results of the work reported, in accordance
17 with Government Auditing Standards issued by the
18 Comptroller General of the United States. The
19 performance audit shall encompass an audit of internal
20 controls and compliance with laws and regulations
21 based on an individual risk assessment.

22 The type of audit to be performed will be determined by the State
23 Auditor and Inspector.

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1 2. Unless the county elects to prepare its financial statement
2 in accordance with Generally Accepted Accounting Principles as
3 prescribed by the Governmental Accounting Standards Board, the
4 county shall present their financial statements in a regulatory
5 basis of accounting as prescribed in subsection C of this section.

6 C. 1. For county, primary government only, financial audits,
7 the financial statements shall be presented on a fund-basis format
8 with, at a minimum, the general fund and all other county funds
9 which represent ten percent (10%) or greater of total county
10 revenue. All other funds included in the audit shall be presented
11 in the aggregate.

12 2. The financial statements shall include but not be limited to
13 the following:

- 14 a. a statement of revenues or receipts, expenditures or
15 disbursements, and changes in cash balances for the
16 funds identified in the preceding paragraph, and
17 b. notes to the financial statements.

18 D. The report shall include but not be limited to the following
19 supplemental information:

20 1. A combining schedule detailing by fund the information
21 presented in the aggregate;

22 2. A comparison of the final adopted budget to the actual
23 expenditures for all funds required by law to have an adopted
24 budget; and

1 3. Notes to the budget to actual schedule.

2 E. An audit may include a performance audit, a financial audit,
3 agreed-upon procedures, or limited review, ~~or examination~~ of the
4 books and records. In addition to the above, ~~such~~ the State Auditor
5 and Inspector may require an audit of the books and records of any
6 county official or custodian of any of the funds of the county upon
7 the death, resignation or removal from office of ~~any such~~ the county
8 official, covering a period from the date of the last general audit
9 up to the date of ~~such~~ the death, resignation or removal therefrom.

10 F. Each biennial county audit shall cover the two preceding
11 fiscal years beginning as of July 1st immediately preceding the year
12 in which the appropriation is made for ~~such~~ the general audit,
13 provided, that nothing herein shall prevent ~~such~~ the State Auditor
14 and Inspector from causing an audit to be made for any prior year of
15 all the books, records and accounts of ~~any such~~ the county official.

16 SECTION 2. AMENDATORY 19 O.S. 2001, Section 1402, is
17 amended to read as follows:

18 Section 1402. The purpose of ~~this act~~ the County Budget Act is
19 to provide a budget procedure for county governments which shall:

20 1. Establish uniform and sound fiscal procedures for the
21 preparation, adoption, execution and control of budgets, and foster
22 cooperation among the elected officials for the effective and
23 informed operation of county government;

1 2. Enable counties to make financial plans for both current and
2 capital expenditures and to ensure that their executive staffs
3 administer their respective functions in accordance with adopted
4 budgets;

5 3. Make available to the public and investors sufficient
6 information as to the financial conditions, requirements and
7 expectations of the county government; and

8 4. ~~Assist~~ If requested, assist county governments to improve
9 and implement generally accepted accounting principles as applied to
10 governmental accounting, auditing and financial reporting and
11 standards of governmental finance management if the principles are
12 adopted.

13 SECTION 3. AMENDATORY 19 O.S. 2001, Section 1405, is
14 amended to read as follows:

15 Section 1405. The accounting records of each county ~~shall~~ may
16 be established and maintained and financial statements prepared
17 therefrom in conformity with generally accepted accounting
18 principles promulgated from time to time by authoritative bodies in
19 the United States. ~~The~~ For counties that so choose, the State
20 Auditor and Inspector shall prescribe a uniform system of accounting
21 that conforms to generally accepted accounting principles for
22 counties which have elected to come under the provisions of ~~this act~~
23 the County Budget Act. ~~The~~ When requested, the State Auditor and
24 Inspector shall disseminate to each county, through accounting

1 manuals or other means, current generally accepted accounting
2 principles.

3 SECTION 4. This act shall become effective July 1, 2011.

4 SECTION 5. It being immediately necessary for the preservation
5 of the public peace, health and safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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9 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT MODERNIZATION, dated
10 03-28-2011 - DO PASS.

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