

1 STATE OF OKLAHOMA

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

3 SENATE JOINT  
4 RESOLUTION 81

By: Treat

5  
6 AS INTRODUCED

7  
8 A Joint Resolution directing the Secretary of State  
9 to refer to the people for their approval or  
10 rejection a proposed amendment to the Oklahoma  
11 Constitution by adding a new Section 19.1 to Article  
12 VI; granting authority to State Auditor and Inspector  
13 to conduct certain performance audits; specifying  
14 standards and scope of such audits; specifying powers  
15 and duties of State Auditor and Inspector; specifying  
16 duties of program or agency officials; prohibiting  
17 obstruction or refusal of access to audit  
18 information; providing penalty; requiring audits to  
19 be made public and provided to certain persons;  
20 providing that audits not limitation on other  
21 authority; allowing for contracting for certain  
22 services; providing for funding of audits; creating  
23 separate fund; requiring annual report; authorizing  
24 Legislature to enact implementing legislation;  
providing ballot title; and directing filing.

BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
2ND SESSION OF THE 53RD OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for  
their approval or rejection, as and in the manner provided by law,  
the following proposed amendment to the Oklahoma Constitution by  
adding a new Section 19.1 to Article VI to read as follows:

1 Section 19.1. A. The State Auditor and Inspector is hereby  
2 granted full authority to conduct independent performance audits on  
3 any non-federal governmental entity or program in Oklahoma. Such  
4 audits shall be conducted in accordance with Government Auditing  
5 Standards as issued by the United States Government Accountability  
6 Office or its successor organization.

7 B. The performance audits shall be at the discretion of the  
8 State Auditor and Inspector. The scope of the audits shall include,  
9 as applicable given the audit objectives, but not be limited to the  
10 following:

11 1. Identification of cost savings and recommendations for  
12 achieving such;

13 2. Identification of services that can be reduced or  
14 eliminated;

15 3. Identification of programs and services which could be  
16 transferred to the private sector and operate in a more cost  
17 effective manner;

18 4. Identification of duplication of services by programs or  
19 entities which could be consolidated into a single program or  
20 entity;

21 5. Identification of gaps in programs or services that could  
22 adversely affect the entity or state;

23 6. Analysis of the objectives of programs and entities against  
24 their performance measures;

1       7. Verification of compliance with significant laws and  
2 regulations;

3       8. Identification of best practices;

4       9. Recommendations for statutory or regulatory changes to  
5 enhance the effectiveness of the program or entity; and

6       10. Recommendations for improvement or enhancement of  
7 operations or other matters relevant to the audit objectives.

8       The State Auditor and Inspector will seek written responses to  
9 the recommendations from the program or entity officials. When  
10 program or entity officials disagree or do not plan to implement  
11 such recommendations, they shall report this with their reasoning  
12 within thirty (30) days of public release of the audit to the  
13 Governor, the President Pro Tempore of the Senate, and the Speaker  
14 of the House of Representatives.

15       C. The State Auditor and Inspector may, at any time, conduct a  
16 performance audit or a follow-up on previous performance audits as  
17 deemed necessary.

18       D. The State Auditor and Inspector may issue subpoenas or  
19 require other written affidavits in such form and in such manner as  
20 he or she may prescribe. Any public official, elected or otherwise,  
21 or any employee of any program or entity being audited who shall  
22 obstruct or refuse access to information or documents relevant to  
23 such audits shall be guilty of a misdemeanor.

24

1 E. All performance audits shall become a public record upon  
2 completion of the audit. In addition, copies of each performance  
3 audit report shall be furnished to the Governor, the President Pro  
4 Tempore of the Senate, the Speaker of the House of Representatives,  
5 the chairpersons of the appropriate legislative committees and the  
6 responsible officials of the program or entity being audited.

7 F. Performance audits authorized herein shall not limit or  
8 restrict other public officials from requesting performance audits  
9 by the State Auditor and Inspector as provided by law.

10 G. Where appropriate, the State Auditor and Inspector may, at  
11 his or her discretion, contract out any or all aspects of any  
12 performance audit.

13 H. Funding for performance audits shall be provided by  
14 dedicating one-tenth of one percent (1/10 of 1%) of all sales and  
15 use taxes collected by the State of Oklahoma. Such amounts shall be  
16 accumulated and apportioned monthly to a separate revolving fund in  
17 the State Treasury. These revenues may only be used in conducting  
18 performance audits performed under the authority of this section,  
19 which can include costs associated with personnel, services,  
20 equipment, supplies, or other direct costs of performing such  
21 audits. Only the State Auditor and Inspector or the State Auditor  
22 and Inspector's designee may authorize expenditures from the fund.

23 I. By September 30 of each year, the State Auditor and  
24 Inspector shall issue an annual report summarizing the results of

1 performance audits completed. This annual report shall include a  
2 summary of all recommended cost savings, as applicable, in such  
3 performance audit reports as were issued in the preceding fiscal  
4 year. Copies of this report shall be made available to the public  
5 and provided to the Governor, the President Pro Tempore of the  
6 Senate, and the Speaker of the House of Representatives.

7 J. The Legislature is hereby authorized to enact laws to  
8 implement the provisions of this section.

9 SECTION 2. The Ballot Title for the proposed Constitutional  
10 amendment as set forth in SECTION 1 of this resolution shall be in  
11 the following form:

12 BALLOT TITLE  
13 Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

14 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

15 This measure amends the state Constitution. It creates a new  
16 Section 19.1 of Article 6. It would grant the State Auditor and  
17 Inspector the authority to conduct performance audits. Any  
18 nonfederal governmental entity or program could be audited.  
19 Procedures for and the scope of audits are specified. The State  
20 Auditor and Inspector would have additional powers, such as  
21 issuing subpoenas, in conducting these audits. All audits would  
22 be public upon completion. Funding for audits would be provided  
23 by dedicating 1/10 of 1% of sales and use taxes collected by the  
24 state to a separate fund. The State Auditor and Inspector would

1 have to issue an annual report. The Legislature could enact  
2 laws to implement this section.

3 SHALL THE PROPOSAL BE APPROVED?

4 FOR THE PROPOSAL - YES \_\_\_\_\_

5 AGAINST THE PROPOSAL - NO \_\_\_\_\_

6 SECTION 3. The President Pro Tempore of the Senate shall,  
7 immediately after the passage of this resolution, prepare and file  
8 one copy thereof, including the Ballot Title set forth in SECTION 2  
9 hereof, with the Secretary of State and one copy with the Attorney  
10 General.

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