

1 transacts. Such an entity shall be eligible to qualify for and hold
2 a certificate of authority to transact insurance in this state.

3 B. ~~An~~ Notwithstanding the provisions of subsection A of this
4 section, any entity organized pursuant to the Interlocal Cooperation
5 Act that ~~transacts insurance~~ insures an Oklahoma educational
6 institution and has within a twelve-month period received premiums
7 or contributions of any amount for any kind of insurance that the
8 ~~entity~~ Interlocal Entity transacts shall have an annual audit by an
9 independent certified public accountant and shall file an audited
10 financial report by an independent certified public accountant with
11 the Insurance Commissioner within one hundred eighty (180) days
12 immediately following the close of the ~~Interlocal's~~ Interlocal
13 Entity's fiscal year. The annual audited financial report shall be
14 presented in conformity with accounting principles generally
15 accepted in the United States of America and include:

- 16 1. The report of an independent certified public accountant in
17 accordance with accounting principles generally accepted in the
18 United States of America;
- 19 2. A balance sheet reporting assets, liabilities and equity;
- 20 3. A statement of operations;
- 21 4. A statement of cash flows;
- 22 5. A statement of changes in assets, liabilities and equity;
- 23 and
- 24 6. Footnotes to financial statements.

1 C. Extensions of the filing date may be granted by the
2 Commissioner for thirty-day periods upon a showing by the Interlocal
3 ~~Cooperative~~ Entity and its independent certified public accountant
4 of the reasons for requesting an extension and determination by the
5 Commissioner of good cause for an extension. The request for
6 extension must be submitted in writing not less than ten (10) days
7 prior to the due date in sufficient detail to permit the
8 Commissioner to make an informed decision with respect to the
9 requested extension.

10 D. The Commissioner may assess a fine for failure to file the
11 required annual audit in an amount of not more than Five Hundred
12 Dollars (\$500.00) per day.

13 E. The audited financial reports required herein are subject to
14 public inspection pursuant to the Oklahoma Open Records Act.

15 SECTION 2. This act shall become effective November 1, 2014.

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17 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 03/31/2014 - DO
18 PASS.

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