

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 937

By: Thompson

4
5 AS INTRODUCED

6 An Act relating to schools; amending 70 O.S. 2011,
7 Section 22-103, which relates to annual audits;
8 requiring boards of education to change auditors
9 every five years; allowing renewal of certain
10 contract if the term does not exceed certain number
of years; providing an effective date; and declaring
an emergency.

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

12 SECTION 1. AMENDATORY 70 O.S. 2011, Section 22-103, is
13 amended to read as follows:

14 Section 22-103. A. The board of education of each school
15 district in this state shall provide for and cause to be made an
16 annual audit of such school district for each fiscal year. Said
17 audit shall be a financial audit and a compliance audit of all funds
18 of the school district, including the records of all student
19 activity funds designated in Section 5-129 of this title. Such
20 audit or audits shall be made at the end of the fiscal year;
21 provided, however, the local board of education may require that
22 audits be made at more frequent intervals.

23 B. Findings of material weaknesses, qualifications of the
24 auditor's report and of defalcations, or a report of lack of such

1 findings, shall be communicated in writing to the board. Upon
2 completion of an audit, the auditor shall conduct the final exit
3 interview at a meeting of the board. No part of the final exit
4 interview shall be conducted with any employee of the board except
5 in open meeting of the board; provided, portions of the final exit
6 interview related to matters which the board is authorized by law to
7 consider in executive session may be so considered.

8 C. 1. The board of education of each school district in this
9 state shall change the auditor used for audits required by this
10 section every five (5) years.

11 2. A board of education that is under contract with an auditor
12 as of the effective day of this act may be allowed to serve out the
13 term of the contract. Upon expiration of the contract, the board of
14 education may renew the auditor's contract; provided, however, the
15 length of the new contract in combination with the length of
16 previous contract(s) shall not exceed five (5) years.

17 SECTION 2. This act shall become effective July 1, 2016.

18 SECTION 3. It being immediately necessary for the preservation
19 of the public peace, health and safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

22
23 55-2-2525

EB

2/18/2016 7:15:07 PM