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An Act relating to property; amending 60 O.S. 2011, Section 180.1, which relates to uses and trusts; modifying certain requirement related to annual audits.

By: Holt

SECTION 1. AMENDATORY 60 O.S. 2011, Section 180.1, is amended to read as follows:

B. The trustees of a trust which has more than Fifty Thousand Dollars (\$50,000.00) in revenues or assets, and for whom an annual financial statement audit is not required by another law,

1 regulation, or contract, shall cause to be conducted, by an  
2 independent licensed public accountant or a certified public  
3 accountant, an annual audit of the trust's financial statements in  
4 accordance with auditing standards generally accepted in the United  
5 States and Government Auditing Standards as issued by the  
6 Comptroller General of the United States or an agreed-upon-  
7 procedures engagement over certain financial information and  
8 compliance requirements to be performed in accordance with the  
9 applicable attestation standards of The American Institute of  
10 Certified Public Accountants, ~~and the fieldwork and reporting~~  
11 ~~standards in Government Auditing Standards.~~ The specific procedures  
12 to be performed are:

13 1. Prepare a schedule of revenues, expenditures/expenses and  
14 changes in fund balances/net assets for each fund and determine  
15 compliance with any applicable trust or other prohibitions for  
16 creating fund balance deficits;

17 2. Agree material bank account balances to bank statements, and  
18 trace significant reconciling items to subsequent clearance;

19 3. Compare uninsured deposits to fair value of pledged  
20 collateral;

21 4. Compare use of material-restricted revenues and resources to  
22 their restrictions;

23 5. Determine compliance with requirements for separate funds;  
24 and

1       6. Determine compliance with reserve account and debt service  
2 coverage requirements of bond indentures.

3       Such engagement shall be ordered within thirty (30) days of the  
4 close of each fiscal year of the trust. Copies of the annual audit  
5 or agreed-upon-procedures report shall be filed with the State  
6 Auditor and Inspector within six (6) months after the close of the  
7 fiscal year and with the trustees and governing body of the  
8 beneficiaries.

9       C. Public trusts which have less than Fifty Thousand Dollars  
10 (\$50,000.00) in revenue and less than Fifty Thousand Dollars  
11 (\$50,000.00) in assets, and for whom an annual financial statement  
12 audit is not required by another law, regulation, or contract and  
13 any public trust which did not have financial activity exceeding  
14 Fifty Thousand Dollars (\$50,000.00) since its last audit may apply  
15 to the State Auditor and Inspector for a waiver of the requirements  
16 of subsections A and B of this section.

17 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT  
18 February 20, 2017 - DO PASS  
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