

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 1690
Version:	Committee Substitute
Request Number:	7069
Author:	Representative Murdock
Date:	2/23/2017
Impact:	Requiring Certain Audits, Cost Variables Include Assessed Risks, Audit Scope, Auditor Rates

Research Analysis

The committee substitute creates the Independent Comprehensive Performance Audit Act. The act would require the Legislative Service Bureau (LSB) to conduct an independent performance audit, no more than once every four years, for an agency under the following conditions:

- The agency's General Revenue appropriations rank it among the top twenty for that fiscal year;
- The agency's chief executive officer concludes his or her office.

The measure authorizes the LSB to contract with the State Auditor and Inspector's office or an outside firm to conduct the performance audit. The measure provides the scope of the audit and requires a formal presentation of findings be presented by the LSB within 30 days of the release of the audit.

Prepared By: Kyle Meade

Fiscal Analysis

The measure creates the Independent Comprehensive Performance Audit Act. Provisions include the requirement for the Legislative Service Bureau (LSB) to invest in an independent performance audit for an agency if 1) the agency's General Revenue appropriations are among the highest twenty for that fiscal year, and 2) the agency's director concludes his or her term of office. The measure further permits LSB to contract with the State Auditor or a third party to conduct such performance audits no more than once every four years. The measure specifies the audits will be paid for by the LSB. Total cost of each audit would depend on a number of factors, including the agency's initial risk assessment, scope of the audit, and hourly pay rate(s) of the auditors assigned to the audit.

Prepared By: Nicole McPhetridge

Other Considerations

None.