

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2311</b>
<b>Version:</b>	<b>SAHB</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Speaker McCall</b>
<b>Date:</b>	<b>5/4/2017</b>
<b>Impact:</b>	<b>Potential Audit Costs</b>

**Research Analysis**

The Senate Amendment creates the Agency Performance and Accountability Act. The act creates a commission to conduct independent comprehensive performance audits (ICPA) of the top twenty appropriated state agencies. The scheduled ICPAs would be conducted at least once every four fiscal years. Additionally, the commission would be authorized to conduct audits of other executive branch agencies at its discretion.

Further, the measure permits the commission to contract, through a bidding process outlined in the bill, with a private company, nonprofit organization, or academic institution to assist with conducting the ICPA. Additionally, the commission may contract with the Office of State Auditor and Inspector to conduct an ICPA. The costs of the contracts will be paid by the Legislative Services Bureau.

Furthermore, the measure requires the commission to submit audit results to the Governor and legislative leaders and be made publicly available on documents.ok.gov. Finally, the act requires a state agency being audited to implement the commission's recommendations which will be reviewed by the commission within 12 months of the ICPA. The commission will then be required to submit a second report detailing the agency's implementation efforts.

Prepared By: Kyle Meade

**Fiscal Analysis**

The measure enacts the Agency Performance and Accountability Act, provisions of which include creating the Agency Performance and Accountability Commission, appointment of members to the Commission, staffing and administrative support to be provided by the Senate and the House of Representatives, requirement to conduct independent comprehensive performance audits on the twenty agencies receiving the highest amount of state appropriations at least once every four years, authorization to conduct additional audits as funding is available, authorization to contract with a third party for auditing assistance, and requirement of agencies to implement audit recommendations. Staffing requirements or scope of contract with a third party will depend on the length of time required to perform each audit. Total cost of audits would depend on each agency's risk assessment, the scope of the audit, and the hourly rates of the auditors assigned to the task.

Prepared By: Nicole McPhetridge

**Other Considerations**

None.

