10216.0100

Sixty-second
Legislative Assembly
of North Dakota

Introduced by

FIRST DRAFT:
Prepared by the Legislative Council staff for the
Workforce Committee
September 2010

1   A BILL for an Act to amend and reenact section 54-10-01 of the North Dakota Century Code,

2   relating to the powers and duties of the state auditor.

3   **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4   **SECTION 1. AMENDMENT.** Section 54-10-01 of the North Dakota Century Code is

5   amended and reenacted as follows:

6   **54-10-01. Powers and duties of state auditor.** The state auditor ~~shall~~:

7   1.   ~~Be vested with~~ Has the duties, powers, and responsibilities involved in performing

8   the postaudit of all financial transactions of the state government, detecting and

9   reporting any defaults, and determining that expenditures have been made in

10   accordance with law and appropriation acts.

11   2.   ~~Perform~~ Shall perform or provide for the audit of the general purpose financial

12   statements and a review of the material included in the comprehensive annual

13   financial report of the state and perform or provide for the audits and reviews of

14   state agencies. Except for the annual audit of the North Dakota lottery required by

15   section 53-12.1-03, the state auditor shall audit or review each state agency once

16   every two years. The state auditor shall determine the contents of the audits and

17   reviews of state agencies. The state auditor may conduct any work required by the

18   federal government. The state auditor shall charge an amount equal to the cost of

19   the audit and other services rendered by the state auditor to all agencies that

20   receive and expend moneys from other than the general fund. This charge may be

21   reduced for any agency that receives and expends both general fund and

22   non-general fund moneys. Audits and reviews may be conducted at more frequent

23   intervals if requested by the governor or legislative audit and fiscal review

24   committee.

1   3. ~~Be vested with the authority to~~ <u>May</u> determine whether to audit the international

2   peace garden at the request of the board of directors of the international peace

3   garden.

4   4. ~~Perform~~ <u>Shall perform</u> or provide for performance audits of state agencies as

5   determined necessary by the state auditor or the legislative audit and fiscal review

6   committee. A performance audit must be done in accordance with generally

7   accepted auditing standards applicable to performance audits. The state auditor

8   may not hire a consultant to assist with conducting a performance audit of a state

9   agency without the prior approval of the legislative audit and fiscal review

10   committee. The state auditor shall notify an agency of the need for a consultant

11   before requesting approval by the legislative audit and fiscal review committee.

12   <u>Except as otherwise provided by statute or by the legislative audit and fiscal review</u>

13   <u>committee, the state auditor, or consultant hired by the state auditor, shall</u>

14   <u>complete a performance audit within ninety days from the date of commencement</u>

15   <u>of the performance audit.</u> The agency that is audited shall pay for the cost of any

16   consultant approved.

17   5. ~~For~~ <u>May contract with a private certified or licensed public accountant or other</u>

18   <u>qualified professional for</u> the audits and reviews the state auditor is authorized to

19   perform or provide for under this section~~, the audit or review may be provided for~~

20   ~~by contract with a private certified or licensed public accountant or other qualified~~

21   ~~professional~~. If the state auditor determines that the audit or review will be done

22   pursuant to contract, the state auditor, except for occupational or professional

23   boards, shall execute the contract, and any executive branch agency, including

24   higher education institutions, shall pay the fees of the contractor.

25   6. ~~Be~~ <u>Is</u> responsible for the ~~above~~ functions <u>provided for under this section</u> and <u>shall</u>

26   report ~~thereon~~ <u>on these functions</u> to the governor and the secretary of state in

27   accordance with section 54-06-04 or more often as circumstances may require.

28   7. ~~Perform~~ <u>Shall perform</u> all other duties as prescribed by law.