

RÉSUMÉ DIGEST

ACT 470 (SB 499)

2018 Regular Session

Donahue

Prior law provided relative to audits by the legislative auditor.

New law retains prior law and provides that the legislative auditor shall make available, including by posting on its website, a list of best practices in preparation for an audit of public funds. Best practices may include:

- (1) Written policies and procedures in place addressing all financial and business functions, including but not limited to budgeting, purchasing, disbursements, receipts, payroll, personnel, contracting, travel and expense reimbursements, ethics, debt service, disaster recovery, and credit, debit, or fuel cards, as applicable.
- (2) Balance sheet and budget-to-actual comparisons for general fund and enterprise fund operations prepared and presented by the executive branch of the auditee to the legislative branch or governing body of the auditee at each scheduled meeting of the governing body.
- (3) Bank reconciliations completed for all bank accounts within one month of each bank statement being available.
- (4) Subsidiary ledgers reconciled to the general ledger at least quarterly.
- (5) Bank deposits reconciled to the underlying receipts or equivalent documentation prior to deposit.
- (6) Each credit card purchase supported by original receipts and including a description of its public purpose. Prior to payment, credit card statements reconciled to the supporting original receipt, approved by the signature of the elected official or employee that does not have access to the related credit card and dated.
- (7) Travel and expense reimbursements made in accordance with officially adopted per diem rates, or supported by an original receipt and include a description of the public purpose.
- (8) Contractual payments made in accordance with the terms of the related written contract, as applicable.
- (9) Compliance with annual training requirements under the ethics code, if applicable to the local auditee, documented and maintained.
- (10) A physical inventory of all fixed and movable property items conducted annually and reconciled to the recorded detailed listings of fixed and movable property.

Effective upon signature of the governor (May 23, 2018).

(Adds R.S. 24:513(A)(8))