

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   1st Session of the 55th Legislature (2015)

4 HOUSE BILL 2016

                                  By: Coody (Jeff)

7                                   AS INTRODUCED

8                   An Act relating to county and county officers;  
9                   amending 19 O.S. 2011, Section 171, which relates to  
10                  audits by State Auditor and Inspector; modifying  
                      financial audits for county government; and providing  
                      an effective date.

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14           SECTION 1.        AMENDATORY        19 O.S. 2011, Section 171, is  
15 amended to read as follows:

16           Section 171. A. Each county of this state shall every two (2)  
17 years have an audit made by the State Auditor and Inspector or a  
18 duly appointed deputy or deputies of all of the books, records and  
19 accounts of all the officers of each county of this state, which  
20 audit shall be general in its nature and shall include an audit of  
21 the books, records and accounts of all officers who collect or  
22 disburse monies, fees, fines or public charges of any kind including  
23 therein a tax roll audit, a claim audit, and an audit of each of the  
24 justices of peace within the county.

1 B. 1. For purposes of this subsection, an audit shall be a  
2 financial or performance audit defined as follows:

- 3 a. the financial audit shall be planned and conducted,  
4 and the results of the work reported, in accordance  
5 with auditing standards generally accepted in the  
6 United States and Government Auditing Standards issued  
7 by the Comptroller General of the United States,  
8 b. the performance audit shall be planned and conducted,  
9 and the results of the work reported, in accordance  
10 with Government Auditing Standards issued by the  
11 Comptroller General of the United States. The  
12 performance audit shall encompass an audit of internal  
13 controls and compliance with laws and regulations  
14 based on an individual risk assessment.

15 The type of audit to be performed will be determined by the State  
16 Auditor and Inspector.

17 2. Unless the county elects to prepare its financial statement  
18 in accordance with Generally Accepted Accounting Principles as  
19 prescribed by the Governmental Accounting Standards Board, the  
20 county shall present their financial statements in a regulatory  
21 basis of accounting as prescribed in subsection C of this section.

22 C. 1. For county, primary government only, financial audits,  
23 the financial statements shall be presented on a fund-basis format  
24 with, ~~at a minimum,~~ the general fund and all other county funds

1 ~~which represent ten percent (10%) or greater of total county~~  
2 ~~revenue. All other funds included in the audit shall be presented~~  
3 ~~in the aggregate.~~

4 2. The financial statements shall include but not be limited to  
5 the following:

- 6 a. a statement of revenues or receipts, expenditures or  
7 disbursements, and changes in cash balances for the  
8 funds identified in the preceding paragraph, and
- 9 b. notes to the financial statements.

10 D. The report shall include but not be limited to the following  
11 supplemental information:

- 12 1. A combining schedule detailing by fund the information  
13 presented in the aggregate;
- 14 2. A comparison of the final adopted budget to the actual  
15 expenditures for all funds required by law to have an adopted  
16 budget; and
- 17 3. Notes to the budget to actual schedule.

18 E. An audit may include a performance audit, a financial audit,  
19 agreed-upon procedures, or limited review of the books and records.  
20 In addition to the above, the State Auditor and Inspector may  
21 require an audit of the books and records of any county official or  
22 custodian of any of the funds of the county upon the death,  
23 resignation or removal from office of the county official, covering  
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1 a period from the date of the last general audit up to the date of  
2 the death, resignation or removal therefrom.

3 F. Each biennial county audit shall cover the two preceding  
4 fiscal years beginning as of July 1st immediately preceding the year  
5 in which the appropriation is made for the general audit, provided,  
6 that nothing herein shall prevent the State Auditor and Inspector  
7 from causing an audit to be made for any prior year of all the  
8 books, records and accounts of the county official.

9 SECTION 2. This act shall become effective November 1, 2015.

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11 COMMITTEE REPORT BY: COMMITTEE ON COUNTY AND MUNICIPAL GOVERNMENT,  
12 dated 02/19/2015 - DO PASS.

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