

September 2010

Introduced by

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~~ May 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~~ Shall perform 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 Except as otherwise provided by statute or by the legislative audit and fiscal review
13 committee, the state auditor, or consultant hired by the state auditor, shall
14 complete a performance audit within ninety days from the date of commencement
15 of the performance audit. The agency that is audited shall pay for the cost of any
16 consultant approved.
- 17 5. ~~For~~ May contract with a private certified or licensed public accountant or other
18 qualified professional for 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~~ Is responsible for the ~~above~~ provided for under this section and shall
26 report ~~thereon~~ on these functions 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~~ Shall perform all other duties as prescribed by law.