
HOUSE BILL 1548

State of Washington

54th Legislature

1995 Regular Session

By Representatives L. Thomas, Dellwo, Goldsmith, Rust, Wolfe, B. Thomas, Backlund, Kessler, Kremen, Robertson, Thompson, Huff, Elliot, McMorris, D. Schmidt, McMahan, Hickel, Schoesler, Clements, Cooke and Brumsickle; by request of State Treasurer

Read first time 01/30/95. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to performance audits of the state investment
2 board; and adding a new chapter to Title 43 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** Unless the context clearly requires
5 otherwise, the definitions in this section apply throughout this
6 chapter.

7 (1) "Board" means the state investment board.

8 (2) "Auditor" means the state auditor.

9 (3) "Performance audit" means: (a) Identifying the appropriate
10 statutory mandates and limitations that apply to the board; (b)
11 determining whether the board is complying with its statutory mandates;
12 (c) recommending corrective action, if necessary; (d) identifying
13 appropriate standards for management practices and operations; (e)
14 determining the extent to which the board is complying with such
15 standards; and (f) recommending ways for the board to improve its level
16 of compliance.

17 NEW SECTION. **Sec. 2.** The auditor, in consultation with the
18 legislative budget committee, is responsible for the conduct of

1 performance audits of the board as often as he or she deems advisable,
2 but no less frequently than every four years. The auditor shall
3 establish and publish a schedule of regular performance audits and
4 solicit public comment relative to the performance of the board at
5 least three months prior to the conduct of a regularly scheduled
6 performance audit.

7 NEW SECTION. **Sec. 3.** The cost of performance audits conducted
8 under section 2 of this act are at the expense of the board.

9 NEW SECTION. **Sec. 4.** The auditor, to the greatest extent
10 possible, shall coordinate with the legislative budget committee, the
11 office of financial management, and other state agencies as
12 appropriate, when developing performance audit goals, objectives, and
13 standards for the board.

14 NEW SECTION. **Sec. 5.** The auditor shall, under chapter 39.29 RCW,
15 obtain and utilize the services of private firms with sufficient
16 professional staff possessing the education, training, and practical
17 experience auditing private and governmental entities necessary to
18 conduct the performance audits required by this chapter.

19 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act shall
20 constitute a new chapter in Title 43 RCW.

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