

# FINAL BILL REPORT

## HB 1835

---

---

C 135 L 98

Synopsis as Enacted

**Brief Description:** Requiring audit resolution reports.

**Sponsors:** By House Committee on Government Administration (originally sponsored by Representatives Skinner and Clements).

**House Committee on Government Administration**  
**Senate Committee on Ways & Means**

**Background:** The major fiscal duties of the Governor, director of the Office of Financial Management, State Treasurer, State Auditor, and the Joint Legislative Audit and Review Committee (JLARC) are outlined in statute.

The State Auditor must complete agency audits for legal and financial compliance with state law and must report to the Legislature annually on these audits, among other duties. The auditor may also conduct performance audits if expressly authorized by the Legislature.

The State Auditor may take exception to an agency's specific expenditures or financial practices. When this occurs, the director of the Office of Financial Management must cause corrective action to be taken promptly. Such action may include withholding appropriated funds.

**Summary:** If the State Auditor takes exception to specific expenditures or financial practices of state agencies, the director of the Office of Financial Management must cause corrective action to be taken within six months. The director must report on the status of audit resolution annually to the appropriate committees of the Legislature, the State Auditor, and the Attorney General. The report must include any actions taken as a result of an audit, including types of personnel actions, costs and types of litigation, and the value of any recouped goods or services.

**Votes on Final Passage:**

House 93 0  
Senate 43 0 (Senate amended)  
House 95 0 (House concurred)

**Effective:** June 11, 1998