

**HOUSE BILL NO. 1259**

Introduced by

Representatives Monson, Delzer, Kingsbury, Wald

1 A BILL for an Act to create and enact a new section to chapter 54-10 of the North Dakota  
2 Century Code, relating to audits and reviews of occupational and professional boards; and to  
3 amend and reenact subsection 2 of section 54-10-01 of the North Dakota Century Code,  
4 relating to powers and duties of the state auditor.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 2 of section 54-10-01 of the 1999 Supplement  
7 to the North Dakota Century Code is amended and reenacted as follows:

8 2. Perform or provide for the audit of the general purpose financial statements and a  
9 review of the material included in the comprehensive annual financial report of the  
10 state and perform or provide for the audits and reviews of state agencies, ~~including~~  
11 ~~occupational or professional boards provided for by law.~~ The state auditor shall  
12 audit or review each state agency once every two years. The state auditor shall  
13 determine the contents of the audits and reviews of state agencies. The state  
14 auditor may conduct any work required by the federal government. The state  
15 auditor shall charge an amount equal to the cost of the audit and other services  
16 rendered by the state auditor to all agencies that receive and expend moneys from  
17 other than the general fund. This charge may be reduced for any agency that  
18 receives and expends both general fund and nongeneral fund moneys. ~~The~~  
19 ~~governing board of any occupational or professional board shall provide for an~~  
20 ~~audit once every two years by a certified public accountant or licensed public~~  
21 ~~accountant who shall submit the audit report to the state auditor's office. If the~~  
22 ~~report is in the form and style as prescribed by the state auditor, the state auditor~~  
23 ~~may not audit that board. Alternatively, an occupational or professional board may~~  
24 ~~request the state auditor to do its audit, and if the state auditor agrees to do so, the~~

1           ~~state auditor shall deposit the fees charged to the occupational or professional~~  
2           ~~board into the state auditor operating account.~~ Audits and reviews may be  
3           conducted at more frequent intervals if requested by the governor or legislative  
4           audit and fiscal review committee.

5           **SECTION 2.** A new section to chapter 54-10 of the North Dakota Century Code is  
6           created and enacted as follows:

7           **Occupational and professional boards - Audits and reports.** The governing board  
8           of any occupational or professional board shall provide for an audit once every two years by a  
9           certified public accountant or licensed public accountant. The accountant conducting the audit  
10          shall submit the audit report to the state auditor's office. If the report is in the form and style  
11          prescribed by the state auditor, the state auditor may not audit that board. An occupational or  
12          professional board may request the state auditor to conduct its audit, and if the state auditor  
13          agrees to conduct the audit, the state auditor shall deposit the fees charged to the occupational  
14          or professional board into the state auditor operating account. Instead of providing for an audit  
15          every two years, an occupational or professional board that has less than ten thousand dollars  
16          of annual receipts may submit an annual report to the state auditor. The report must contain  
17          the information required by the state auditor. The state auditor also may make any additional  
18          examination or audit determined necessary in addition to the annual report. When a report is  
19          not filed, the state auditor may charge the occupational or professional board an amount equal  
20          to the fair value of the additional examination or audit and any other services rendered. The  
21          state auditor may charge an occupational or professional board a fee not to exceed fifty dollars  
22          an hour for the costs of reviewing the annual report.