

**HOUSE BILL NO. 1061**

Introduced by

Legislative Management

(Workforce Committee)

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.**

7 The state auditor shall:

- 8 1. ~~Be vested with~~Has the duties, powers, and responsibilities involved in performing the  
9 postaudit of all financial transactions of the state government, detecting and reporting  
10 any defaults, and determining that expenditures have been made in accordance with  
11 law and appropriation acts.
- 12 2. ~~Perform~~Shall perform or provide for the audit of the general purpose financial  
13 statements and a review of the material included in the comprehensive annual  
14 financial report of the state and perform or provide for the audits and reviews of state  
15 agencies. Except for the annual audit of the North Dakota lottery required by section  
16 53-12.1-03, the state auditor shall audit or review each state agency once every two  
17 years. The state auditor shall determine the contents of the audits and reviews of state  
18 agencies. The state auditor may conduct any work required by the federal  
19 government. The state auditor shall charge an amount equal to the cost of the audit  
20 and other services rendered by the state auditor to all agencies that receive and  
21 expend moneys from other than the general fund. This charge may be reduced for any  
22 agency that receives and expends both general fund and non-general fund moneys.  
23 Audits and reviews may be conducted at more frequent intervals if requested by the  
24 governor or legislative audit and fiscal review committee.

- 1           3. ~~Be vested with the authority to~~ May determine whether to audit the international peace  
2           garden at the request of the board of directors of the international peace garden.
- 3           4. ~~Perform~~ Shall perform or provide for performance audits of state agencies as  
4           determined necessary by the state auditor or the legislative audit and fiscal review  
5           committee. A performance audit must be done in accordance with generally accepted  
6           governmental auditing standards applicable to performance audits. The state auditor  
7           may not hire a consultant to assist with conducting a performance audit of a state  
8           agency without the prior approval of the legislative audit and fiscal review committee.  
9           The state auditor shall notify an agency of the need for a consultant before requesting  
10          approval by the legislative audit and fiscal review committee. Except as otherwise  
11          provided by statute or by the legislative audit and fiscal review committee, the state  
12          auditor, or consultant hired by the state auditor, shall complete a performance audit  
13          within ninety business days from the date of commencement of the performance audit.  
14          The agency that is audited shall pay for the cost of any consultant approved.
- 15          5. ~~For~~ May contract with a private certified or licensed public accountant or other qualified  
16          professional for the audits and reviews the state auditor is authorized to perform or  
17          provide for under this section, ~~the audit or review may be provided for by contract with~~  
18          ~~a private certified or licensed public accountant or other qualified professional.~~ If the  
19          state auditor determines that the audit or review will be done pursuant to contract, the  
20          state auditor, except for occupational or professional boards, shall execute the  
21          contract, and any executive branch agency, including higher education institutions,  
22          shall pay the fees of the contractor.
- 23          6. ~~Be~~ is responsible for the ~~above~~ functions provided for under this section and shall  
24          report ~~thereon~~ on these functions to the governor and the secretary of state in  
25          accordance with section 54-06-04 or more often as circumstances may require.
- 26          7. ~~Perform~~ Shall perform all other duties as prescribed by law.