

**State Auditor
Budget 117
Senate Bill No. 2004**

	FTE Positions	General Fund	Other Funds	Total
2003-05 legislative appropriation	55.00	\$4,581,232	\$2,117,976	\$6,699,208
2001-03 legislative appropriation	<u>55.00</u>	<u>4,591,143</u>	<u>2,157,640</u>	<u>6,748,783</u>
2003-05 appropriation increase (decrease) to 2001-03 appropriation	0.00	(\$9,911)	(\$39,664)	(\$49,575)

Item Description

Performance audit of the Department of Corrections and Rehabilitation - Section 8 of House Bill No. 1506 provides the State Auditor shall consider conducting a performance audit of the Department of Corrections and Rehabilitation during the period beginning July 1, 2003, and ending January 1, 2005, and, if conducted, the results of the audit must be presented to the Legislative Audit and Fiscal Review Committee and to the Appropriations Committees during the department's budget presentation during the 59th Legislative Assembly. Senate Bill No. 2004 amended North Dakota Century Code (NDCC) Section 54-10-01 to require the State Auditor to notify a state agency of the need for a consultant and obtain approval of the Legislative Audit and Fiscal Review Committee before the State Auditor may hire a consultant to assist with conducting a performance audit of a state agency.

Performance audit of the Department of Veterans Affairs and the Administrative Committee on Veterans Affairs - Section 3 of House Bill No. 1007 requires the State Auditor to conduct a performance audit of the Department of Veterans Affairs and the Administrative Committee on Veterans Affairs during the 2003-05 biennium and present the results of the audit to the Legislative Audit and Fiscal Review Committee by July 1, 2004.

Conduct an annual audit of the North Dakota lottery - House Bill No. 1243 establishes the North Dakota lottery and requires the director of the lottery to have an annual audit of all accounts and transactions conducted by the State Auditor.

Information technology responsibilities - NDCC Section 54-10-28, created by the 2003 Legislative Assembly in House Bill No. 1505, provides for information technology responsibilities of the State Auditor, including conducting information technology compliance reviews, as determined necessary by the Information Technology Committee.

Status/Result

The State Auditor began the performance audit of the Department of Corrections and Rehabilitation in May 2004. The State Auditor has obtained approval from the Legislative Audit and Fiscal Review Committee to hire a consultant to assist with the performance audit at a cost of up to \$50,000. The cost of the consultant will be paid by the Department of Corrections and Rehabilitation.

The State Auditor is conducting the performance audit of the Department of Veterans Affairs and the Administrative Committee on Veterans Affairs and will present the results to the Legislative Audit and Fiscal Review Committee at its summer 2004 meeting.

The State Auditor plans to perform annual audits of the North Dakota lottery starting with the fiscal year ending June 30, 2004.

The State Auditor has not performed, nor been requested to perform, any of the new duties relating to information technology in NDCC Section 54-10-28.