

## 2020 Kansas Statutes

**75-37,152. Financial-compliance audits; audits of financial management practices of state treasurer and pooled money investment board; transition audits of state treasurer; examinations of books and accounts of state treasurer and director of accounts and reports; duty of confidentiality.** (a) Beginning in calendar year 2019, a financial-compliance audit shall be conducted each year of the general purpose financial statements prepared by the division of accounts and reports of the department of administration for its annual financial report. The first financial-compliance audit shall examine the general purpose financial statements for fiscal year 2019. This audit shall be conducted in accordance with generally accepted governmental auditing standards. The resulting written audit report shall be issued as soon after the end of the fiscal year as is practicable, but shall be completed no later than the deadlines as set forth in K.S.A. 75-37,158, and amendments thereto.

(b) (1) Beginning in fiscal year 2020, and once every two years thereafter, separate written audit reports on the financial management practices of the office of the state treasurer and the pooled money investment board shall be prepared addressing the adequacy of financial management practices and compliance with applicable state laws. The separate audit of the pooled money investment board also shall include a comparative investment performance review and an analysis of the investment program, including an evaluation of investment policies and practices and of specific investments in the pooled money investment portfolio. The analysis of the specific investments in the pooled money investment portfolio shall review whether such investments meet the investment priorities of safety, liquidity and performance. The performance of such investments shall be measured by comparison to an appropriate market index. The resulting written audit report shall be completed no later than the deadlines as set forth in K.S.A. 75-37,158, and amendments thereto.

(2) In addition, whenever an individual is first elected or appointed and qualified to the office of the state treasurer, there shall be conducted a transition audit within two weeks after the date such individual enters upon the duties of the office of the state treasurer. The purpose of the transition audit shall be to review the assets in the custody of the office of the state treasurer for significant discrepancies at the time of the transition. A separate written report shall be prepared for each transition audit.

(3) Any additional costs associated with preparing the separate additional reports on the office of the state treasurer and the pooled money investment board shall be borne by the office of the state treasurer and the pooled money investment board in accordance with K.S.A. 75-37,159, and amendments thereto.

(c) (1) Books and accounts of the state treasurer and the director of accounts and reports, including the bond register of the state treasurer, may be examined monthly if the department of administration audit contract committee so determines, and such examination may include detailed checking of every transaction or test checking.

(2) Any person receiving tax information under the provisions of subsection (a) or (b) shall be subject to the same duty of confidentiality imposed by law upon the personnel of the department of revenue and shall be subject to any civil or criminal penalties imposed by law for violations of such duty of confidentiality.

**History:** L. 2018, ch. 89, § 11; May 24.