

SESSION OF 2010

SUPPLEMENTAL NOTE ON SENATE BILL NO. 580

As Amended by Senate Committee of the Whole

Brief*

SB 580, as amended, would make several changes to existing law to audits performed by the Legislative Division of Post Audit. The bill would:

- Provide for the ability of Legislative Division of Post Audit to charge state agencies for the cost of financial compliance audits, and the amounts charged would be reviewed and approved by the contract audit committee; and
- Eliminate the school district audit team.

Background

The bill as introduced was based on the recommendation of the Senate Ways and Means Subcommittee on the Legislative Division of Post Audit's budget to charge state agencies for the entire cost of the single statewide financial audit and to eliminate the school district audit team. The Subcommittee also noted that this team reports to the 2010 Commission which is scheduled to terminate on December 31, 2010. Currently, the last meeting of the 2010 Commission is tentatively scheduled for April 23, 2010. The Senate Ways and Means Committee added a technical amendment to add an additional statute reference.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The Senate Committee of the Whole deleted the provision that eliminated school district audits for Fiscal Year 2011 and Fiscal Year 2012.

The fiscal note on the bill as introduced indicated that the fiscal impact of the bill on the Legislative Division of Post Audit would be a reduction of \$210,425, all from the State General Fund. The cost would be shifted from the State General Fund in this agency to a mix of funding sources provided by the state agencies covered by the statewide audit. The additional cost to other state agencies range from a high of \$47,492 to the Department of Education, to zero dollars for most of the fee-funded agencies.