



General Assembly

February Session, 2004

Amendment

LCO No. 3763

SB0060703763SR0

Offered by:

SEN. GENUARIO, 25th Dist.

To: Senate Bill No. 607

File No. 558

Cal. No. 401

"AN ACT CONCERNING STATE AUDITS OF CERTAIN MUNICIPAL BUDGETS BY THE AUDITORS OF PUBLIC ACCOUNTS."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 2-90 of the general statutes, as amended by section
4 232 of public act 03-6 of the June 30 special session, is repealed and the
5 following is substituted in lieu thereof (*Effective July 1, 2004*):

6 (a) The Auditors of Public Accounts shall organize the work of their
7 office in such manner as they deem most economical and efficient and
8 shall determine the scope and frequency of any audit they conduct.

9 (b) Said auditors, with the Comptroller, shall, at least annually and
10 as frequently as they deem necessary, audit the books and accounts of
11 the Treasurer, including, but not limited to, trust funds, as defined in
12 section 3-13c, and certify the results to the Governor. The auditors
13 shall, at least annually and as frequently as they deem necessary, audit
14 the books and accounts of the Comptroller and certify the results to the

15 Governor. They shall examine and prepare certificates of audit with
16 respect to the financial statements contained in the annual reports of
17 the Treasurer and Comptroller, which certificates shall be made part of
18 such annual reports. In carrying out their responsibilities under this
19 section, said auditors may retain independent auditors to assist them.

20 (c) Said auditors shall audit, on a biennial basis if deemed most
21 economical and efficient, or as frequently as they deem necessary, the
22 books and accounts of : [each officer; department;] (1) Each officer,
23 department, commission, including the Connecticut Commission on
24 Arts, Tourism, Culture, History and Film, [;] board and court of the
25 state government; (2) all institutions supported by the state; [and] (3)
26 all public and quasi-public bodies, politic and corporate, created by
27 public or special act of the General Assembly and not required to be
28 audited or subject to reporting requirements [.] under the provisions of
29 chapter 111; and (4) any municipality that receives state funding in an
30 amount greater than thirty per cent of its annual operating budget.
31 Each such audit may include an examination of performance in order
32 to determine effectiveness in achieving expressed legislative purposes.
33 Each such audit of a municipality shall include any recommendations
34 for programmatic and management efficiencies and financial
35 improvements. The auditors shall report their findings and
36 recommendations to the Governor, the State Comptroller, the joint
37 standing committee of the General Assembly having cognizance of
38 matters relating to appropriations and the budgets of state agencies,
39 and the Legislative Program Review and Investigations Committee.

40 (d) The Auditors of Public Accounts may enter into such contractual
41 agreements as may be necessary for the discharge of their duties. Any
42 audit or report which is prepared by a person, firm or corporation
43 pursuant to any contract with the Auditors of Public Accounts shall
44 bear the signature of the person primarily responsible for the
45 preparation of such audit or report. As used in this subsection, the
46 term "person" means a natural person.

47 (e) If the Auditors of Public Accounts discover, or if it should come

48 to their knowledge, that any unauthorized, illegal, irregular or unsafe
49 handling or expenditure of state funds or any breakdown in the
50 safekeeping of any resources of the state has occurred or is
51 contemplated, they shall forthwith present the facts to the Governor,
52 the State Comptroller, the clerk of each house of the General Assembly,
53 the Legislative Program Review and Investigations Committee and the
54 Attorney General. Any Auditor of Public Accounts neglecting to make
55 such a report, or any agent of the auditors neglecting to report to the
56 Auditors of Public Accounts any such matter discovered by [him] such
57 agent or coming to [his] the knowledge of such agent shall be fined not
58 more than one hundred dollars or imprisoned not more than six
59 months or both.

60 (f) All reports issued or made pursuant to this section shall be
61 retained in the offices of the Auditors of Public Accounts for a period
62 of not less than five years. The auditors shall file one copy of each such
63 report with the State Librarian.

64 (g) Each state agency shall keep its accounts in such form and by
65 such methods as to exhibit the facts required by said auditors and, the
66 provisions of any other general statute notwithstanding, shall make all
67 records and accounts available to them or their agents, upon demand.

68 (h) Where there are statutory requirements of confidentiality with
69 regard to such records and accounts or examinations of
70 nongovernmental entities which are maintained by a state agency,
71 such requirements of confidentiality and the penalties for the violation
72 thereof shall apply to the auditors and to their authorized
73 representatives in the same manner and to the same extent as such
74 requirements of confidentiality and penalties apply to such state
75 agency. In addition, the portion of any audit or report prepared by the
76 Auditors of Public Accounts that concerns the internal control
77 structure of a state information system shall not be subject to
78 disclosure under the Freedom of Information Act, as defined in section
79 1-200."