

RÉSUMÉ DIGEST

ACT 462 (SB 239)

2015 Regular Session

LaFleur

Prior law (R.S. 24:513) provided for the powers and duties of the legislative auditor. Authorized the legislative auditor to compile financial statements and to examine, audit, or review the books and accounts of public and quasi public agencies and bodies. Provided that independently elected public local officials, including judges, sheriffs, clerks of court, assessors, and district attorneys, all parish governing authorities, all political subdivisions created by parish governing authorities or by law, and all districts, boards, and commissions created by parish governing authorities either independently or in conjunction with other units of government, school boards, district public defender offices, municipalities, all political subdivisions created by municipal governing authorities, and all boards and commissions created by municipalities, either independently or in conjunction with other units of government, city courts, quasi-public agencies, housing authorities, mortgage authorities, or other political subdivisions of the state not included within La.'s Comprehensive Annual Financial Reports, referred to as "local auditees", are audited or reviewed by licensed certified public accountants, subject to review by the legislative auditor. Provided that the legislative auditor may audit or investigate a local auditee under certain specified circumstances.

Prior law required each local auditee to include the total compensation, reimbursements, and benefits of an agency head, political subdivision head, or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expenses, per diem, and registration fees, to be included in a supplemental report within the financial statement of the local auditee.

New law retains prior law, but additionally provides that nongovernmental entities or not-for-profit entities that receive public funds shall report only the use of the public funds for the expenditures itemized in the supplemental report required by prior law.

Prior law provided that if the Legislative Audit Advisory Council determines based upon its review and investigation that, without appropriate cause, an auditee has not complied with the recommendations contained in an audit report of such auditee, the council shall forward its determination of noncompliance to the Joint Legislative Committee on the Budget and the appropriate oversight committees of the House of Representatives and the Senate.

New law provides retains prior law and adds that if the council determines based upon its review and investigation that, without appropriate cause, a local auditee as defined prior law (R.S. 24:513) has failed for three consecutive years to sufficiently resolve the findings contained in an audit report of such local auditee, the council may, after notice to and a public hearing with the local auditee, make a determination that the local auditee has failed or refused to comply with the provisions of prior law, and upon two-thirds vote of the entire membership of the council, may direct the treasurer to withhold funds in accordance with prior law (R.S. 39:72.1).

Effective August 1, 2015.

(Amends R.S. 25:513(A)(3) and 554(B))