DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Carmody HB No. 560

Abstract: Requires the legislative auditor to annually conduct certain audits of postsecondary education institutions.

Present law requires the legislative auditor to conduct a performance audit of a postsecondary institution within six months of entering into a performance agreement with such institution. Further provides that the institution shall provide certain information to the auditor so that he can audit "how well goals and objectives of postsecondary education are being met" and so that he can perform an economy and efficiency study.

Proposed law repeals present law.

Proposed law requires the auditor, in cooperation and coordination with the Board of Regents, to annually audit data submitted or to be submitted by institutions to the Board of Regents as indicators of meeting performance objective targets established by or pursuant to present law to ensure that the data is reliable. Requires the auditor to complete all such audits and to report his findings to the Board of Regents and to the legislature prior to the board's annual vote on whether an institution will be able to exercise tuition authority and operational autonomies pursuant to present law.

Proposed law requires each institution to provide to the auditor all of the information that the auditor requests to conduct audits pursuant to proposed law. Provides that the auditor shall charge the actual costs of such audits to the institution being audited; however, provides that no institution shall be charged more than $7,000 for such audits in any single fiscal year.

Proposed law specifies that it shall not be construed to limit the authority of the auditor under any other provision of law. Provides that the auditor shall, to the extent that he determines feasible and in the best interests of the state, take steps to minimize disruption of normal operations at the institutions such as conducting such audits in conjunction with the institution's financial audit.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 17:3139(E))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on House and Governmental Affairs

to the original bill.

1. Removes proposed law provisions requiring the legislative auditor to conduct performance audits of postsecondary institutions.

2. Requires the auditor to conduct data reliability audits required by proposed law in cooperation and coordination with the Board of Regents.

3. Requires such audits to be completed annually and requires the auditor to report his findings to the Board of Regents and the legislature prior to the board's annual vote on whether an institution will be able to exercise tuition authority and operational autonomies pursuant to present law.

4. Adds a $7,000 limit on the amount the auditor may charge the institution being audited in a single fiscal year to cover the actual costs of the audits.

5. Specifies that the auditor shall, to the extent that he determines feasible and in the best interests of the state, take steps to minimize disruption of normal operations at the institutions such as conducting such audits in conjunction with the institution's financial audit.