HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 560 by Representative Carmody

LEGISLATIVE AUDITOR: Provides relative to the duties of the Legislative Auditor relative to conducting certain audits of postsecondary education institutions

Synopsis of Senate Amendments

1. Increases the maximum amount the auditor may charge an institution in a year from $7,000 to $10,000.

2. Authorizes the auditor to charge an amount in excess of $10,000 if such additional charge is authorized by the Legislative Audit Advisory Council.

Digest of Bill as Finally Passed by Senate

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 $10,000 for such audits in any single fiscal year unless a higher amount is authorized by the Legislative Audit Advisory Council. Provides that the council may authorize the auditor to charge an institution more than $10,000 if the additional actual costs are proven to be related to the scope of work described in proposed law.

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))