



AN ACT REVISING COMMUNITY COLLEGE DISTRICT AUDIT REQUIREMENTS; REQUIRING COMMUNITY COLLEGE DISTRICTS TO CONTRACT WITH A PRIVATE ACCOUNTING FIRM FOR AUDITS; REQUIRING A COMMUNITY COLLEGE DISTRICT TO PROVIDE ESTIMATED AUDIT COSTS TO THE BUDGET DIRECTOR AND TO PAY FOR ANY COSTS NOT COVERED BY LEGISLATIVE APPROPRIATION; AMENDING SECTIONS 5-13-402 AND 20-15-229, MCA; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 5-13-402, MCA, is amended to read:

"5-13-402. Audit costs. (1) Prior to July 1 of the year preceding the regular session in which the legislature is adopting a state budget,

(a) the legislative auditor shall advise each agency and the budget director of the estimated audit costs for the following biennium. Each agency shall include the estimated audit costs in its proposed budget submitted to the budget director pursuant to 17-7-112. The budget director shall notify the legislative auditor if the executive budget recommendation to the legislature for audit costs differs from that proposed by the legislative auditor.

(b) the community college districts shall advise the budget director of the estimated audit costs for the following biennium. The budget director shall notify the community college districts if the executive budget recommendation to the legislature for audit costs differs from that proposed by the community college districts.

(2) Not later than 60 days after adjournment of each legislature, the budget director shall provide to the legislative auditor a schedule reflecting, by fund, amounts appropriated to each agency for audit costs.

(3) The legislative auditor shall bill agencies for audit services that the legislative auditor considers necessary. The legislative auditor may not bill an agency for audit services in excess of amounts appropriated for audit services. Additional audit-related services may be provided by the legislative auditor at a cost agreed

to by an agency and billed to the agency."

Section 2. Section 20-15-229, MCA, is amended to read:

"**20-15-229. Audit of district.** A community college district is subject to audit ~~by the legislative auditor~~ in the same manner as a state agency. A community college district ~~may~~ shall contract for an audit with a private accounting firm, subject to approval of the legislative auditor. A community college district is responsible for paying for any portion of contract costs not appropriated by the legislature. Each community college district shall provide a copy of its audit report to the legislative auditor."

Section 3. Effective date. [This act] is effective July 1, 2021.

- END -

I hereby certify that the within bill,
HB 100, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2021.

President of the Senate

Signed this _____ day
of _____, 2021.

HOUSEBILL NO. 100

INTRODUCED BY D. HAYMAN

BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE

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