

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 611

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO AUDITS; AMENDING CHAPTER 4, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-450D, IDAHO CODE, TO PROVIDE FOR MINIMUM AUDIT REQUIREMENTS FOR DESIGNATED ENTITIES, TO PROVIDE AN EXCEPTION, TO PROVIDE A PROCEDURE, TO PROVIDE FOR CERTAIN UNAUDITED ANNUAL STATEMENTS AND TO PROVIDE THAT THE STATE OF IDAHO RESERVES THE RIGHT TO AUDIT FUNDS OF DESIGNATED ENTITIES AT ANY TIME.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 4, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-450D, Idaho Code, and to read as follows:

67-450D. INDEPENDENT FINANCIAL AUDITS -- DESIGNATED ENTITIES. (1) Notwithstanding any other provisions of the Idaho Code relating to audit requirements regarding the entities hereinafter designated, beginning on July 1, 2010, the requirements set forth in this section shall constitute the minimum audit requirements for the following entities:

- Alfalfa and clover seed commission;
- Idaho apple commission;
- Idaho aquaculture commission;
- Idaho barley commission;
- Idaho bean commission;
- Idaho beef council;
- Idaho cherry commission;
- Idaho dairy products commission;
- Idaho food quality assurance institute;
- Idaho forest products commission;
- Idaho grape growers and wine producers commission;
- Idaho honey advertising commission;
- Idaho hop grower's commission;
- Idaho mint commission;
- Idaho oilseed commission;
- Idaho pea and lentil commission;
- Commission on pesticide management;
- Idaho potato commission;
- Idaho rangeland resources commission;
- Soil conservation commission;
- Idaho wheat commission.

(2) The minimum requirements for any audit performed under the provisions of this section are:

1 (a) Any entity whose annual expenditures (from all sources) exceed
2 two hundred fifty thousand dollars (\$250,000) shall cause a full and
3 complete audit of its financial statements to be made each fiscal year.

4 (b) Any entity whose annual expenditures (from all sources) exceed
5 one hundred thousand dollars (\$100,000), but do not exceed two
6 hundred fifty thousand dollars (\$250,000), may elect to have its
7 financial statements audited on a biennial basis and may continue
8 biennial auditing cycles in subsequent years as long as the entity's
9 annual expenditures do not exceed two hundred fifty thousand dollars
10 (\$250,000) during either year of any biennial period. Biennial audits
11 shall include an audit of each fiscal year since the previous audit.

12 (c) Any entity whose annual expenditures (from all sources) do not
13 exceed one hundred thousand dollars (\$100,000) has no minimum audit
14 requirements under the provisions of this section.

15 (d) Federal audit requirements applicable because of expenditure of
16 federal assistance supersede the minimum audit requirements provided
17 in this section.

18 (3) All moneys received or expended by the entities identified in
19 subsection (1) of this section shall be audited as specified in subsection
20 (2) of this section by a certified public accountant designated by the
21 entity, who shall furnish a copy of such audit to the director of the
22 legislative services office and to the senate agricultural affairs
23 committee and the house agricultural affairs committee. The audit shall be
24 completed within ninety (90) days following the close of the commission's
25 fiscal year.

26 (4) Any entity identified in subsection (1) of this section that is
27 not audited pursuant to the provisions of this section shall submit an
28 unaudited annual statement of revenues, expenditures and fund balances to
29 the director of the legislative services office, to the senate agricultural
30 affairs committee and the house agricultural affairs committee, to the state
31 controller and to the division of financial management.

32 (5) The right is reserved to the state of Idaho to audit the funds of the
33 entities identified in this section at any time.