

1 H.24

2 Introduced by Representatives Page of Newport City and Labor of Morgan

3 Referred to Committee on

4 Date:

5 Subject: State Auditor; State contracting; audits; financial statements

6 Statement of purpose of bill as introduced: This bill proposes to (1) require the
7 Secretary of Administration to include in Administrative Bulletin 3.5 a
8 requirement that the State Auditor is authorized to examine the books and
9 records of any contractor providing services to the State, and (2) amend the
10 authority of the State Auditor to examine the books and records of any
11 contractor providing services to the State.

12 An act relating to the authority of the State Auditor to examine the books
13 and records of State contractors

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. STATE CONTRACTING; SECRETARY OF ADMINISTRATION;

16 AUDIT AUTHORITY

17 On or before October 1, 2023, the Secretary of Administration shall include
18 in Administrative Bulletin 3.5 a requirement that State contracts include terms
19 and conditions authorizing the State Auditor to have discretion to examine the
20 records, accounts, books, papers, reports, and returns in all formats of any

1 contractor that provides services to the State in compliance with 32 V.S.A.

2 § 163.

3 Sec. 2. 32 V.S.A. § 163 is amended to read:

4 § 163. DUTIES OF THE AUDITOR OF ACCOUNTS

5 In addition to any other duties prescribed by law, the Auditor of Accounts
6 shall:

7 (1) Annually perform or contract for:

8 (A) an audit of the basic financial statements of the State of Vermont;

9 (B) the financial and compliance audits of the State of Vermont's
10 federal programs as required by federal law, except that this audit requirement
11 shall not apply to the University of Vermont or the Vermont State Colleges;
12 and

13 (C) at ~~his or her~~ the Auditor's discretion, governmental audits as
14 defined by governmental auditing standards issued by the U.S. Government
15 Accountability Office (GAO) of every department, institution, and agency of
16 the State, including contractors as it relates to performance under State
17 contracts, trustees or custodians of retirement and other trust funds held by the
18 State or any officer or officers of the State, and also including every county
19 officer who receives or disburses funds of the State or for the benefit of the
20 State or any county.

21 * * *

1 (13) Have discretion to examine the records, accounts, books, papers,
2 reports, and returns in all formats of any contractor that provides services to
3 the State, provided that the examination of records, accounts, books, papers,
4 reports, and returns shall be limited to those that are relevant to the contract
5 with the State.

6 Sec. 3. 32 V.S.A. § 167 is amended to read:

7 § 167. RECORDS TO BE AVAILABLE FOR AUDIT

8 (a) For the purpose of examination and audit authorized by law, and except
9 as provided in subdivision 163(13) of this title, all the records, accounts,
10 books, papers, reports, and returns in all formats of all departments,
11 institutions, and agencies of the State, including the trustees or custodians of
12 trust funds and all municipal, school supervisory union, school district, and
13 county officers who receive or disburse funds for the benefit of the State, shall
14 be made available to the Auditor of Accounts. It shall be the duty of each
15 officer of each department, institution, and agency of the State or municipality,
16 school supervisory union, school district, or county to provide the records,
17 accounts, books, papers, reports, returns, and such other explanatory
18 information when required by the Auditor of Accounts.

19 * * *

20 Sec. 4. EFFECTIVE DATE

21 This act shall take effect on July 1, 2023.