



Printer's Error
March 19, 1999

ENGROSSED HOUSE BILL No. 1315

DIGEST OF HB1315 (Updated March 16, 1999 11:39 am - DI 71)

Citations Affected: IC 5-11.

Synopsis: State board of accounts audit threshold. Provides that an examination of accounts and financial affairs by the state board of accounts of an entity organized as a nonprofit corporation that derives at least 50% but less than \$100,000 of its disbursements from public funds is limited to matters relevant to the use of public money received by the entity.

Effective: July 1, 1999.

Bischoff, Ruppel, Oxley, Thompson
(SENATE SPONSORS — LANDSKE, WOLF)

January 12, 1999, read first time and referred to Committee on Financial Institutions.
February 1, 1999, reported — Do Pass.
February 8, 1999, read second time, ordered engrossed.
February 9, 1999, engrossed.
February 10, 1999, read third time, passed. Yeas 98, nays 0.

SENATE ACTION

February 22, 1999, read first time and referred to Committee on Public Policy.
March 18, 1999, reported favorably — Do Pass.

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EH 1315—LS 7160/DI 87+



First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

ENGROSSED HOUSE BILL No. 1315

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-11-1-9 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 9. (a) The state examiner,
3 personally or through the deputy examiners, field examiners, or private
4 examiners, shall examine all accounts and all financial affairs of every
5 public office and officer, state office, state institution, and entity.
6 (b) An examination of an entity deriving:
7 (1) less than fifty percent (50%); or
8 (2) at least fifty percent (50%) but less than ~~sixty one hundred~~
9 thousand dollars (~~\$60,000~~) (**\$100,000**) if the entity is organized
10 as a not-for-profit corporation;
11 of its disbursements during the period of time subject to an
12 examination from appropriations, public funds, taxes, and other sources
13 of public expense shall be limited to matters relevant to the use of the
14 public money received by the entity.
15 (c) The examination of an entity described in subsection (b) may be
16 waived or deferred by the state examiner if the state examiner

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1 determines in writing that all disbursements of public money during the
 2 period subject to examination were made for the purposes for which the
 3 money was received.

4 (d) On every examination under this section, inquiry shall be made
 5 as to the following:

6 (1) The financial condition and resources of each municipality,
 7 office, institution, or entity.

8 (2) Whether the laws of the state and the uniform compliance
 9 guidelines of the state board of accounts established under section
 10 24 of this chapter have been complied with.

11 (3) The methods and accuracy of the accounts and reports of the
 12 person examined.

13 The examinations shall be made without notice.

14 (e) If during an examination of a state office under this chapter the
 15 examiner encounters an inefficiency in the operation of the state office,
 16 the examiner may comment on the inefficiency in the examiner's report.

17 (f) The state examiner, deputy examiners, any field examiner, or any
 18 private examiner, when engaged in making any examination or when
 19 engaged in any official duty devolved upon them by the state examiner,
 20 is entitled to do the following:

21 (1) Enter into any state, county, city, township, or other public
 22 office in this state, or any entity, agency, or instrumentality, and
 23 examine any books, papers, documents, or electronically stored
 24 information for the purpose of making an examination.

25 (2) Have access, in the presence of the custodian or the
 26 custodian's deputy, to the cash drawers and cash in the custody of
 27 the officer.

28 (3) During business hours, examine the public accounts in any
 29 depository that has public funds in its custody pursuant to the
 30 laws of this state.

31 (g) The state examiner, deputy examiner, or any field examiner,
 32 when engaged in making any examination authorized by law, may issue
 33 subpoenas for witnesses to appear before the examiner in person or to
 34 produce books, papers, or other records (including records stored in
 35 electronic data processing systems) for inspection and examination.
 36 The state examiner, deputy examiner, and any field examiner may
 37 administer oaths and examine witnesses under oath orally or by
 38 interrogatories concerning the matters under investigation and
 39 examination. Under the authority of the state examiner, the oral
 40 examinations may be transcribed with the reasonable expense paid by
 41 the examined person in the same manner as the compensation of the
 42 field examiner is paid. The subpoenas shall be served by any person



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1 authorized to serve civil process from any court in this state. If a
2 witness duly subpoenaed refuses to attend, refuses to produce
3 information required in the subpoena, or attends and refuses to be
4 sworn or affirmed, or to testify when called upon to do so, the examiner
5 may apply to the circuit court having jurisdiction of the witness for the
6 enforcement of attendance and answers to questions as provided by the
7 law governing the taking of depositions.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1315, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BODIKER, Chair

Committee Vote: yeas 13, nays 0.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Public Policy, to which was referred House Bill No. 1315, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to House Bill 1315 as printed February 2, 1999.)

WYSS, Chairperson

Committee Vote: Yeas 9, Nays 0.

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