

By: Cortez

H.B. No. 294

A BILL TO BE ENTITLED

AN ACT

relating to the financial audit of public institutions of higher education by the state auditor.

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

SECTION 1. Chapter [321](#), Government Code, is amended by adding Section 321.01365 to read as follows:

Sec. 321.01365. FINANCIAL AUDIT OF INSTITUTIONS OF HIGHER EDUCATION. (a) In this section, "institution of higher education" has the meaning assigned by Section [61.003](#), Education Code.

(b) Beginning September 1, 2022, the state auditor shall conduct a financial audit of each institution of higher education at least every five years.

(c) The state auditor, in consultation with the Texas Higher Education Coordinating Board, shall determine when each institution of higher education is audited under this section, taking into account the resources of the state auditor and any other factors the state auditor considers appropriate. The state auditor shall consider the requirements of this section in devising an audit plan under Section [321.013](#)(c).

(d) An institution of higher education shall include on the home page of the institution's Internet website a prominently displayed link to the institution's most recent financial audit under this section.

SECTION 2. This Act takes effect September 1, 2021.