

BILL ANALYSIS

H.B. 3290
By: Otto
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The purpose of the State Auditor's Office (SAO) is to provide government leaders and citizens with independent, objective, and reliable information concerning the operations of state agencies and higher education institutions. The types of audits and responsibilities of the SAO include: financial audits, compliance audits, economy and efficiency audits, effectiveness audits, special audits and investigations.

The SAO begins each audit with, and conducts the audits according to, a list of objectives.

House Bill 3290 requires the SAO when, in the course of an audit of the operations of a state agency or institution, they find evidence of gross mismanagement or grossly improper management oversight practices, that they expand the scope of their audit to other aspects of the operation of the agency as soon as practicable and report their findings.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 3290 amends the Government Code to provide to require the State Auditor's Office to expand the scope of an audit after consulting with the head of the agency or institution when evidence of gross mismanagement or grossly improper management oversight practices are found in the course of an audit of a state agency or institution to determine whether similar problems exist elsewhere.

EFFECTIVE DATE

September 1, 2007.