

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H3/11/05

A Bill

HOUSE BILL 2700

5 By: Representative Chesterfield
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For An Act To Be Entitled

9 AN ACT TO REQUIRE SCHOOL DISTRICT AUDITORS TO
10 COMPLY WITH INDEPENDENCE STANDARDS; AND FOR OTHER
11 PURPOSES.
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Subtitle

13 AN ACT TO REQUIRE SCHOOL DISTRICT
14 AUDITORS TO COMPLY WITH INDEPENDENCE
15 STANDARDS.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Title 6, Chapter 20, Subchapter 1806 is
22 amended to add an additional section to read as follows:

23 6-20-1806. Services outside the scope of practice of auditors –
24 Prohibited activities.

25 A licensed certified public accountant or a licensed accountant in
26 public practice shall not provide the following nonaudit services to a school
27 district, educational cooperative, or charter school if the licensed
28 certified public accountant or the licensed accountant or his or her firm is
29 also the auditor of the school district, educational cooperative, or charter
30 school:

31 (1) Accounting and bookkeeping services;

32 (2) Financial information systems design and implementation;

33 (3) Appraisal, valuation, and actuarial services;

34 (4) Internal audit outsourcing services;

35 (5) Management or human resources functions;

36 (6) Broker or dealer, investment adviser, or investment banking



1 services; and

2 (7) Legal and expert services unrelated to the audit.

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/s/ Chesterfield

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