

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

As Engrossed: S3/16/15

A Bill

SENATE BILL 1003

5 By: Senator B. King
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For An Act To Be Entitled

8 *AN ACT TO TRANSFER THE INTERNAL AUDIT SECTION OF THE*
9 *DEPARTMENT OF FINANCE AND ADMINISTRATION TO THE*
10 *DIVISION OF LEGISLATIVE AUDIT; AND FOR OTHER*
11 *PURPOSES.*

Subtitle

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14 *TO TRANSFER THE INTERNAL AUDIT SECTION OF*
15 *THE DEPARTMENT OF FINANCE AND*
16 *ADMINISTRATION TO THE DIVISION OF*
17 *LEGISLATIVE AUDIT.*
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 *SECTION 1. Arkansas Code Title 10, Chapter 4, Subchapter 4, is amended*
24 *to add an additional section to read as follows:*

25 *10-4-428. Internal Audit Section.*

26 *(a) There is created the Internal Audit Section of the Division of*
27 *Legislative Audit.*

28 *(b) The section shall:*

29 *(1) Review the financial and operating controls and the*
30 *transactions of state agencies to determine the level of conformity with*
31 *established laws, standards, regulations, and procedures;*

32 *(2) Review the varied functions within an enterprise to appraise*
33 *the efficiency and economy of operations and the effectiveness with which*
34 *those functions achieve the stated objectives, including without limitation a*
35 *review of established internal control activities;*

36 *(3) Investigate reported occurrences of fraud, embezzlement,*



1 theft, waste, abuse, or mismanagement of state resources;

2 (4) Recommend controls to prevent occurrences of fraud,
3 embezzlement, theft, waste, abuse, or mismanagement of state resources;

4 (5) Upon request of a state agency, assist the state agency TO
5 resolve areas of concern;

6 (6) Assist state agencies in establishing appropriate internal
7 controls that will prevent errors or irregularities;

8 (7) Provide objective analysis, appraisals, and recommendations
9 concerning the activities it reviews; and

10 (8) Perform other functions as directed by the Legislative
11 Auditor.

12 (c)(1) Immediately upon the effective date of this act, the Chief
13 Fiscal Officer of the State shall transfer on his or her books and those of
14 the State Treasurer and Auditor of the State the personnel, property,
15 unexpended balances of appropriations, allocations, or other funds of the
16 Internal Audit Section of the Department of Finance and Administration to the
17 Internal Audit Section of the Division of Legislative Audit.

18 (2) The records of the Internal Audit Section of the Department
19 of Finance and Administration are transferred to the Internal Audit Section
20 of the Division of Legislative Audit.

21 (d) The Legislative Auditor shall rename the Internal Audit Section
22 after the transfer under subsection (c) of this section.

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24 SECTION 2. EFFECTIVE DATE. This act is effective on and after October
25 1, 2015.

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27 /s/B. King
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