

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 86th General Assembly  
3 Regular Session, 2007  
4

As Engrossed: S2/28/07

# A Bill

SENATE BILL 357

5 By: Senator Horn  
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## For An Act To Be Entitled

9 AN ACT TO REDUCE THE AMOUNT OF TIME ALLOTTED FOR  
10 PRIVATE AUDITS UNDER THE SELF-INSURED FIDELITY  
11 BOND PROGRAM; AND FOR OTHER PURPOSES.  
12

### Subtitle

14 TO REDUCE THE AMOUNT OF TIME ALLOTTED  
15 FOR PRIVATE AUDITS UNDER THE SELF-  
16 INSURED FIDELITY BOND PROGRAM.  
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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 § 21-2-704(g), concerning the procurement of  
22 an independent audit under the Self-Insured Fidelity Bond Program, is amended  
23 to read as follows:

24 (g)(1) For valid coverage under the program, each participating  
25 governmental entity, including each segment or component of the participating  
26 governmental entity for which coverage is available under the program, shall  
27 procure an audit of its books and records for each fiscal year.

28 (2)(A) If a participating governmental entity, or covered segment  
29 or component of the participating governmental entity, is not audited by the  
30 division, the participating governmental entity, or covered segment or  
31 component of the participating governmental entity, shall procure an audit of  
32 its books and records by accountants in good standing with the Arkansas State  
33 Board of Public Accountancy in accordance with government auditing standards  
34 issued by the Comptroller General of the United States.

35 (B) *The audit must be completed within ~~twenty-four (24)~~*  
36 eighteen (18) months of the close of each participating governmental entity's



1 fiscal year.

2 (3) All audit reports revealing or disclosing unauthorized  
3 expenditures, asset shortages, or unaccounted-for funds shall be forwarded  
4 immediately upon completion to the division, the State Risk Manager, and the  
5 appropriate prosecuting attorney.

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*/s/ Horn*

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