

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

A Bill

SENATE BILL 999

5 By: Senator Maloch
6 By: Representative Broadaway
7

For An Act To Be Entitled

9 AN ACT TO CREATE AN EXEMPTION FROM THE FREEDOM OF
10 INFORMATION ACT CONCERNING WORKING PAPERS RELATED TO
11 AUDIT REPORTS FOR INSTITUTIONS OF HIGHER EDUCATION;
12 AND FOR OTHER PURPOSES.
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Subtitle

15 TO CREATE AN EXEMPTION FROM THE FREEDOM
16 OF INFORMATION ACT CONCERNING WORKING
17 PAPERS RELATED TO AUDIT REPORTS FOR
18 INSTITUTIONS OF HIGHER EDUCATION.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code Title 6, Chapter 60, Subchapter 1, is amended
25 to add an additional section to read as follows:

26 6-60-105. Audit records.

27 (a)(1) After an audit report is presented to the governing board of
28 the institution of higher education, the audit report and copies of any
29 documents contained in the working papers related to the audit report are
30 open to public inspection under the Freedom of Information Act of 1967, § 25-
31 19-101 et seq., except:

32 (A) Documents specifically exempt from disclosure under
33 the Freedom of Information Act of 1967, § 25-19-101 et seq.;

34 (B) Unsubstantiated allegations obtained in complying with
35 the American Institute of Certified Public Accountants' U.S. Auditing
36 Standards (Clarified) or other professional guidelines regarding the



1 detection of fraud, as they existed on January 1, 2015; and

2 (C) Documents that disclose auditing procedures and
3 techniques, including the following:

4 (i) Internal control questionnaires consisting of
5 the checklist of accounting and administrative procedures employed by
6 auditors in the course of performing an audit; and

7 (ii) The instructions and guidelines provided by or
8 to the auditors about the examination procedures to be followed in the course
9 of examining records and accounts to verify their accuracy, including
10 verifications that the examination procedures have been followed.

11 (2) The documents described in subdivisions (a)(1)(B) and (C) of
12 this section are exempt from the Freedom of Information Act of 1967, § 25-19-
13 101 et seq.

14 (b)(1) Until an audit report has been presented to the governing board
15 of the institution of higher education, all working papers, including without
16 limitation communications, notes, memoranda, preliminary drafts of audit
17 reports, and other data gathered in the preparation of audit reports by
18 auditors employed by or on behalf of a governing board of an institution of
19 higher education are exempt from the Freedom of Information Act of 1967, §
20 25-19-101 et seq.

21 (2) The exemption provided under this section applies to all
22 working papers in the custody or possession of any person before presentation
23 of the audit report to the governing board of the institution of higher
24 education regardless of the actual physical location of the report.

25 (c) As used in this section, "audit" means a financial audit,
26 performance audit, technology audit, review, report of agreed-upon
27 procedures, compilation, examination, investigation, or other report or
28 procedure approved by the governing board of an institution of higher
29 education.

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