

State of Arizona
House of Representatives
Forty-fifth Legislature
Second Regular Session
2002

CHAPTER 245

HOUSE BILL 2347

AN ACT

AMENDING SECTIONS 41-1279.03 AND 41-1279.08, ARIZONA REVISED STATUTES; REPEALING LAWS 1997, CHAPTER 218, SECTION 8; AMENDING LAWS 1999, CHAPTER 311, SECTION 7, AS AMENDED BY LAWS 2000, CHAPTER 365, SECTION 6; AMENDING LAWS 2000, CHAPTER 369, SECTION 21; PROVIDING FOR THE DELAYED REPEAL OF SECTION 41-1279.08; RELATING TO THE AUDITOR GENERAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-1279.03, Arizona Revised Statutes, is amended
3 to read:

4 41-1279.03. Powers and duties

5 A. The auditor general shall:

6 1. Prepare an audit plan for approval by the committee and report to
7 the committee the results of each audit and investigation and other reviews
8 conducted by the auditor general.

9 2. Conduct or cause to be conducted at least biennial financial and
10 compliance audits of financial transactions and accounts kept by or for all
11 state agencies subject to the single audit act of 1984 (P.L. 98-502). The
12 audits shall be conducted in accordance with generally accepted governmental
13 auditing standards and accordingly shall include tests of the accounting
14 records and other auditing procedures as may be considered necessary in the
15 circumstances. The audits shall include the issuance of suitable reports as
16 required by the single audit act of 1984 (P.L. 98-502) so the legislature,
17 federal government and others will be informed as to the adequacy of
18 financial statements of the state in compliance with generally accepted
19 governmental accounting principles and to determine whether the state has
20 complied with laws and regulations that may have a material effect on the
21 financial statements and on major federal assistance programs.

22 3. Perform procedural reviews for all state agencies at times
23 determined by the auditor general. These reviews may include evaluation of
24 administrative and accounting internal controls and reports on such reviews.

25 4. Perform special audits and related assignments as designated by the
26 committee and conduct performance audits, special audits and investigations
27 of any state agency, whether created by the constitution or otherwise, as may
28 be requested by the committee.

29 5. Annually on or before the fourth Monday of December prepare a
30 written report to the governor and to the committee which contains a summary
31 of activities for the previous fiscal year.

32 6. In the tenth year and in each third FIFTH year thereafter in which
33 a transportation excise tax is in effect in a county as provided in section
34 42-6104, 42-6106 or 42-6107 conduct a performance audit that:

35 (a) Reviews past expenditures and future planned expenditures of the
36 transportation excise tax REVENUES and determines the impact of the
37 expenditures in solving transportation problems within the county and, for
38 a transportation excise tax in effect in a county as provided in section
39 42-6107, determines whether the expenditures of the transportation excise tax
40 REVENUES comply with section 28-6392, subsection B.

41 (b) Reviews projects completed to date and projects to be completed
42 during the remaining years in which a transportation excise tax is in effect.
43 Within six months after each review period the auditor general shall present
44 a report to the speaker of the house of representatives and the president of
45 the senate detailing findings and making recommendations. If the parameters

1 of the performance audit are set by the citizens transportation oversight
2 committee, the auditor general shall also present the report to the citizens
3 transportation oversight committee.

4 (c) Reviews, determines, reports and makes recommendations to the
5 speaker of the house of representatives and the president of the senate
6 whether the distribution of highway user revenues complies with title 28,
7 chapter 18, article 2. If the parameters of the performance audit are set
8 by the citizens transportation oversight committee, the auditor general shall
9 also present the report to the citizens transportation oversight committee.

10 7. If requested by the committee, conduct performance audits of
11 counties and incorporated cities and towns receiving highway user revenue
12 fund monies pursuant to title 28, chapter 18, article 2 to determine if the
13 monies are being spent as provided in section 28-6533, subsection B.

14 8. Perform special audits designated pursuant to law if the auditor
15 general determines that there are adequate monies appropriated for the
16 auditor general to complete the audit. If the auditor general determines the
17 appropriated monies are inadequate, the auditor general shall notify the
18 committee.

19 9. Beginning on July 1, 2001, establish a school-wide audit team in
20 the office of the auditor general to conduct performance audits and monitor
21 school districts to determine the percentage of every dollar spent in the
22 classroom by a school district. The school-wide audit team shall randomly
23 audit each school district at least once every five years.

24 B. The auditor general may:

25 1. Subject to approval by the committee, adopt rules necessary to
26 administer the duties of the office.

27 2. Hire consultants to conduct the studies required by subsection A,
28 paragraphs 6 and 7 of this section.

29 C. If approved by the committee the auditor general may charge a
30 reasonable fee for the cost of performing audits or providing accounting
31 services for auditing federal funds, special audits or special services
32 requested by political subdivisions of the state. Monies collected pursuant
33 to this subsection shall be deposited in the audit services revolving fund.

34 D. The department of transportation, the board of supervisors of a
35 county that has approved a county transportation excise tax as provided in
36 section 42-6104, 42-6106 or 42-6107 and the governing bodies of counties,
37 cities and towns receiving highway user revenue fund monies shall cooperate
38 with and provide necessary information to the auditor general or the auditor
39 general's consultant.

40 E. The department of transportation shall reimburse the auditor
41 general as follows, and the auditor general shall deposit the reimbursed
42 monies in the audit services revolving fund:

43 1. For the cost of conducting the studies or hiring a consultant to
44 conduct the studies required by subsection A, paragraph 6, subdivisions (a)
45 and (b) of this section, from monies collected pursuant to a county

1 transportation excise tax levied pursuant to section 42-6104, 42-6106 or
2 42-6107.

3 2. For the cost of conducting the studies or hiring a consultant
4 pursuant to subsection A, paragraph 6, subdivision (c) and paragraph 7 of
5 this section, from the Arizona highway user revenue fund.

6 Sec. 2. Section 41-1279.08, Arizona Revised Statutes, is amended to
7 read:

8 41-1279.08. Auditor general; evaluations; healthy families;
9 family literacy; health start

10 A. The auditor general shall conduct A programmatic evaluations
11 EVALUATION of the ~~healthy families program, the family literacy program and~~
12 ~~the health start program. The auditor general shall provide programmatic~~
13 ~~evaluations~~ AND SHALL PROVIDE THE EVALUATION to the speaker of the house of
14 representatives, the president of the senate and the governor on or before
15 December 31, 2002 ~~and on or before December 31 of each fifth year after that~~
16 ~~date.~~

17 B. The programmatic evaluations EVALUATION shall examine:

18 1. The effectiveness of the programs PROGRAM in meeting program
19 goals.

20 2. The organizational structure and efficiency of the programs
21 PROGRAM.

22 3. The level and scope of services included within the programs
23 PROGRAM.

24 4. The type and level of criteria used to establish eligibility within
25 the programs PROGRAM.

26 5. The number and demographic characteristics of the persons who
27 receive services by the programs PROGRAM.

28 C. The programmatic evaluations shall include:

29 1. Information on the number and characteristics of the program
30 participants.

31 2. Information on contractors and program service providers.

32 3. Information on program revenues and expenditures.

33 4. Information on the number and characteristics of enrollment and
34 disenrollment and information from participants on the reasons for each.

35 5. Information on the average cost for each participant in the
36 programs PROGRAM.

37 6. Information concerning progress of program participants in
38 achieving goals and objectives.

39 7. Information on any long-term savings associated with program
40 services.

41 8. Recommendations regarding program administration.

42 9. Recommendations regarding informational materials distributed
43 through the programs PROGRAM.

44 ~~D. In addition to other program evaluation requirements in this~~
45 ~~section, the auditor general shall also evaluate:~~

1 1. ~~The healthy families program to measure the effect of the program~~
2 ~~on encouraging parental responsibility in various areas, including~~
3 ~~employment, self-sufficiency and child safety. The audit shall also document~~
4 ~~the income level and family size of those receiving program services.~~

5 2. ~~The family literacy program to determine which program models are~~
6 ~~most effective in meeting program goals.~~

7 E. D. In preparing the programmatic evaluations EVALUATION, the
8 auditor general shall not rely solely on information concerning program
9 participants and program performance prepared by contractors, but shall
10 independently develop information for the programmatic evaluations
11 EVALUATION.

12 F. E. Notwithstanding any law to the contrary, the auditor general
13 has access to all relevant information and records held by the department of
14 health services ~~and the department of economic security~~ in order to conduct
15 the evaluations EVALUATION required by this section. The auditor general
16 shall keep this information confidential.

17 Sec. 3. Repeal

18 Laws 1997, chapter 218, section 8 is repealed.

19 Sec. 4. Laws 1999, chapter 311, section 7, as amended by Laws 2000,
20 chapter 365, section 6, is amended to read:

21 Sec. 7. Review of ultrasound results; auditor general report

22 By December 31, ~~2003~~ 2005, the auditor general shall evaluate the first
23 two years' operation of the effectiveness of review of ~~ultrasounds~~ ULTRASOUND
24 RESULTS required by section 36-2301.02, Arizona Revised Statutes, in ensuring
25 compliance with the provisions of section 36-2301.01, Arizona Revised
26 Statutes. The auditor general's report shall be delivered to the governor,
27 the president of the senate and the speaker of the house of representatives
28 and a copy of this report shall be provided to the secretary of state and the
29 director of the ~~department of~~ ARIZONA STATE library, archives and public
30 records.

31 Sec. 5. Laws 2000, chapter 369, section 21 is amended to read:

32 Sec. 21. Family group decision making program; reports

33 A. ~~The auditor general shall perform an evaluation of the impact and~~
34 ~~effectiveness of the family group decision making program prescribed in~~
35 ~~section 8-901, Arizona Revised Statutes, as added by this act and shall~~
36 ~~prepare an outcome evaluation report by June 30, 2002.~~

37 B. A. The outcome evaluation report REQUIRED BY SUBSECTION B shall
38 include the following information REGARDING THEIR FAMILY GROUP DECISION
39 MAKING PROGRAM that the auditor general DEPARTMENT shall maintain and
40 provide:

41 1. The number of families served through the family group decision
42 making program.

43 2. The number of cases that child protective services is involved in
44 following the family conference.

- 1 3. Demographic information concerning the families involved in the
- 2 program.
- 3 4. The type of services requested by families involved in the program.
- 4 5. The type of services provided to the families in the program.
- 5 6. The cost of services provided to families in the program.
- 6 7. Recommendations regarding program administration.
- 7 8. The extent to which the goals and objectives of the program are
- 8 being successfully met.
- 9 9. The effect of the program in reducing the number of families that
- 10 have a dependency petition filed regarding their minor children.
- 11 10. A comparison of outcomes for families served by the program to
- 12 those who chose not to participate in the program.
- 13 ~~C. On or before January 1, 2001, the department shall develop and~~
- 14 ~~submit a comprehensive family group decision making program plan to the joint~~
- 15 ~~legislative committee on children and family services for review. The plan~~
- 16 ~~shall include requirements, policies and procedures relating to the program~~
- 17 ~~and the benefits and costs of implementing the program statewide by October~~
- 18 ~~1, 2001.~~
- 19 D. B. On or before January 1, 2003 and 2004, the department of
- 20 economic security shall submit a report to the governor, the speaker of the
- 21 house of representatives, the president of the senate and the joint
- 22 legislative committee on children and family services. The report shall
- 23 include all of the outcome evaluation data listed in this section and any
- 24 recommendations for legislative changes. The department shall provide a copy
- 25 of each report to the secretary of state and the director of the department
- 26 of library, archives and public records.
- 27 Sec. 6. Delayed repeal
- 28 Section 41-1279.08, Arizona Revised Statutes, as amended by this act,
- 29 is repealed from and after December 31, 2002.

APPROVED BY THE GOVERNOR MAY 20, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 20, 2002.



Passed the House April 4, 2002,

Passed the Senate April 25, 2002,

by the following vote: 53 Ayes,

by the following vote: 28 Ayes,

2 Nays, 5 Not Voting

0 Nays, 2 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this
_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of _____,
_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

H.B. 2347

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this _____ day of _____, 20____,

at _____ o'clock _____ M.

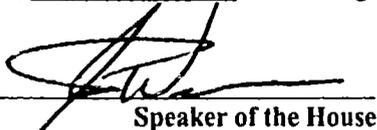
Secretary of State

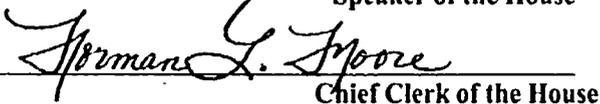
HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

May 15, 2002,

by the following vote: 47 Ayes,

11 Nays, 2 Not Voting


Speaker of the House

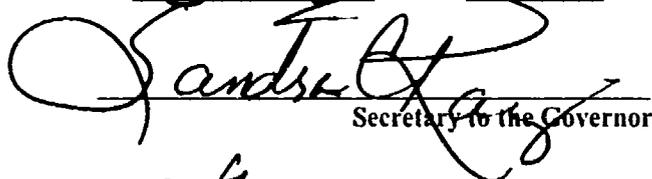

Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

15 day of May, 2002

at 3:00 o'clock P M.


Secretary to the Governor

Approved this 20~~th~~ day of

May, 2002,

at 10:14 o'clock A M.


Governor of Arizona

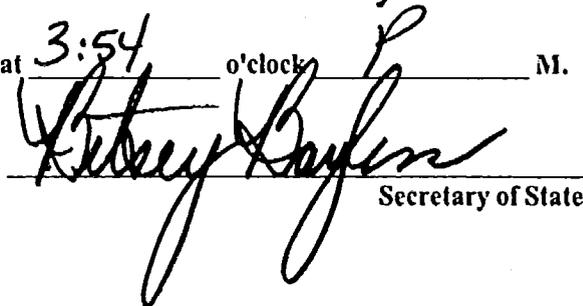
H.B. 2347

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 20 day of May, 2002,

at 3:54 o'clock P M.


Secretary of State