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House BILL NO. 463

INTRODUCED BY Arnott W. Veltubug Brainerd

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAWS GOVERNING COUNTY AUDITORS; REVISING THE QUALIFICATIONS FOR THE OFFICE OF COUNTY AUDITOR; ELIMINATING THE REQUIREMENT THAT THE BOARD OF COUNTY COMMISSIONERS APPROVE CERTAIN LIVING AND TRAVEL EXPENSES OF A COUNTY AUDITOR; GRANTING THE COUNTY AUDITOR THE AUTHORITY TO AUDIT OR TO SUBJECT TO A SPECIAL STUDY ANY PHASE OF COUNTY GOVERNMENT; CLARIFYING DUTIES OF THE COUNTY AUDITOR TO BE CARRIED OUT AT THE DIRECTION OF THE BOARD OF COUNTY COMMISSIONERS; AND AMENDING SECTIONS 7-6-2403, 7-6-2406, 7-6-2409, AND 7-6-2412, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 7-6-2403, MCA, is amended to read:

**"7-6-2403. Qualifications of county auditor.** ~~No person is eligible to serve in the office of county auditor of any county who is not of voting age and who has not been a resident of the county for which he is elected or appointed for at least 2 years preceding his election or appointment~~ A county auditor must be a certified internal auditor, certified public accountant, or certified government financial manager or must have 3 years of experience in the area of auditing."

**Section 2.** Section 7-6-2406, MCA, is amended to read:

**"7-6-2406. Compensation of auditor.** The county auditor receives the annual compensation provided by law, payable ~~monthly~~ by warrants drawn on the treasury of the county, and ~~shall~~ may not receive ~~no~~ other compensation ~~or emolument whatsoever~~ for any service rendered or performed by him, except actual expenses for living and traveling whenever the duties of ~~his~~ the county auditor office require ~~his~~ the county auditor's presence at any place in the county other than the county seat, ~~and then only after the travel has been ordered and advised by the board of county commissioners.~~"

**Section 3.** Section 7-6-2409, MCA, is amended to read:

1           **"7-6-2409. Examination of county books and accounts.** ~~(1) It is the duty of the county auditor~~  
2 ~~to examine the books and accounts of the county treasurer, the county clerk and recorder, the sheriff, the~~  
3 ~~clerk of the district court, and all other county and township officers within 15 days prior to the first regular~~  
4 ~~session of the board of county commissioners in March, June, September, and December of each year~~  
5 ~~unless a longer time is granted to the auditor by the board.~~ A county auditor has the authority and  
6 responsibility to conduct broad scope audits and special studies of any phase of county government in  
7 accordance with generally accepted government auditing standards. Audits conducted pursuant to this  
8 section may include financial, compliance, performance, and expanded scope audits of county departments  
9 and functions.

10           (2) The county auditor shall determine which departments or functions to audit or to subject to a  
11 special study based on a review of prior independent audit reports or on an examination of other  
12 information that comes to the attention of the county auditor.

13           (3) The county auditor shall consult with the board of county commissioners regarding the selection  
14 of county departments or functions for audit or for special study. The county auditor shall furnish the board  
15 of county commissioners with a schedule of planned audits or special studies to be conducted pursuant  
16 to this section by the beginning of each fiscal year.

17           (4) The county auditor may initiate an audit or special study of a county department or function  
18 not on the planned audit schedule if in the county auditor's professional opinion there exists sufficient  
19 reason to undertake the unplanned audit or special study.

20           (5) For the purposes of this section, the county auditor must have access to all books and papers  
21 of any county department or entity.

22           (6) An audit report or other document compiled by the county auditor pursuant to this section is  
23 a public document and must be made available to the public upon request.

24           ~~(2) The quarterly report shall contain a full and complete statement of the money received and~~  
25 ~~disbursed by each of the officers since the last examination and report. For the purpose of this section, the~~  
26 ~~county auditor has free access to all books and papers in each of the offices."~~

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28           **Section 4.** Section 7-6-2412, MCA, is amended to read:

29           **"7-6-2412. Other duties of auditor.** (1) Subject to the requirements of subsection (2), the county  
30 auditor shall also perform such other duties, clerical analytical or otherwise, as he may be directed to

