

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

583I0061

SENATE LOCAL GOVERNMENT COMMITTEE

ENGROSSED NO. **SB 1** - 01/22/2003

Introduced by: Senators Brown, Albers, Dennert, Duxbury, and McCracken and Representatives Burg, Heineman, Konold, Lange, Pederson (Gordon), and Smidt at the request of the Department of Legislative Audit

1 FOR AN ACT ENTITLED, An Act to eliminate the requirement that certain nonprofit
2 corporations file an annual report with the Department of Legislative Audit and to provide
3 for Department of Legislative Audit approval of single audits of certain nonprofit
4 corporations.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

6 Section 1. That § 4-11-2.1 be amended to read as follows:

7 4-11-2.1. ~~All~~ Any charitable or nonprofit corporation receiving federal funds through the
8 state or its political subdivisions, that is required to be audited in accordance with the Federal
9 Single Audit Act Amendments of 1996 Public Law 104-156 (31 U.S.C. sections 7501 to 7507)
10 as amended to January 1, 2003, shall comply with the provisions of § 4-11-7, except for the
11 restrictions on payment for the audit, when hiring a public accountant to perform the audit. The
12 auditor-general may examine all financial records, related to funds provided by the state or its
13 political subdivisions, of any charitable or nonprofit corporations receiving appropriated funds
14 ~~from the state or its political subdivisions either directly or through a state agency shall be~~



1 ~~required to file an annual financial report disclosing the receipt and disbursement of all~~
2 ~~appropriated funds with the Department of Legislative Audit in form and contents as prescribed~~
3 ~~by the auditor-general. The auditor-general shall be authorized to examine all books, accounts,~~
4 ~~and reports of such corporations relating to the receipt and disbursement of appropriated funds,~~
5 ~~if he deems it corporation if deemed necessary and in the public interest that they be examined~~
6 ~~by the auditor-general.~~