

# State of South Dakota

SEVENTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2003

583I0061

## SENATE BILL NO. 1

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, either directly  
8 or indirectly through the state or its political subdivisions, that is required to be audited in  
9 accordance with the Federal Single Audit Act Amendments of 1996 Public Law 104-156 (31  
10 USC sections 7501 to 7507) as amended to January 1, 2003, shall comply with the provisions  
11 of § 4-11-7 when hiring a public accountant to perform the audit. The auditor-general may  
12 examine all financial records of any charitable or nonprofit corporations corporation receiving  
13 ~~appropriated~~ funds from the state or its political subdivisions ~~either directly or through a state~~  
14 ~~agency shall be required to file an annual financial report disclosing the receipt and disbursement~~  
15 ~~of all appropriated funds with the Department of Legislative Audit in form and contents as~~



1 ~~prescribed by the auditor-general. The auditor-general shall be authorized to examine all books,~~  
2 ~~accounts, and reports of such corporations relating to the receipt and disbursement of~~  
3 ~~appropriated funds, if he deems it~~ if deemed ~~necessary and in the public interest that they be~~  
4 ~~examined by the auditor-general.~~