

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 807
Appropriations/Base Budget Committee Substitute Adopted 7/18/06
Appropriations/Base Budget Committee Substitute #2 Adopted 7/19/06

Short Title: Government Performance Audit.

(Public)

Sponsors:

Referred to:

March 23, 2005

A BILL TO BE ENTITLED

1
2 AN ACT TO ESTABLISH THE GOVERNMENT PERFORMANCE AUDIT
3 COMMITTEE AND TO REQUIRE A PERFORMANCE AUDIT OF THE
4 EXECUTIVE BRANCH OF STATE GOVERNMENT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** The Government Performance Audit Committee is established.

7 The Committee shall be located administratively in the General Assembly. The
8 Committee shall consist of 10 members appointed as follows: (i) five members of the
9 House of Representatives shall be appointed by the Speaker of the House of
10 Representatives, and (ii) five members of the Senate shall be appointed by the President
11 Pro Tempore of the Senate.

12 Terms on the Committee begin on August 1, 2006. A member continues to
13 serve until a successor is appointed. A vacancy shall be filled within 30 days by the
14 officer who made the original appointment. The Committee and the terms of the
15 members shall expire when the Committee submits a final report to the General
16 Assembly.

17 The President Pro Tempore of the Senate and the Speaker of the House of
18 Representatives shall each designate a cochair of the Committee. The Committee shall
19 meet at least once a quarter upon the joint call of the cochairs. A quorum of the
20 Committee is six members. No action may be taken except by a majority vote at a
21 meeting at which a quorum is present.

22 From funds available to the General Assembly, the Legislative Services
23 Commission shall allocate monies to fund the meetings of the Committee. Members of
24 the Committee shall receive subsistence and travel expenses as provided in
25 G.S. 120-3.1.

26 The Legislative Services Commission, through the Legislative Services
27 Officer, shall assign professional staff to assist the Committee in its work. Upon the
28 direction of the Legislative Services Commission, the Directors of Legislative

1 Assistants of the Senate and of the House of Representatives shall assign clerical staff to
 2 the Committee. The expenses for clerical employees shall be borne by the Committee.

3 **SECTION 2.** The Committee shall contract for a performance audit of the
 4 executive branch of State government. The goals of the audit are to evaluate the
 5 efficiency and effectiveness of State government and to identify specific ways to make
 6 improvements. The audits may examine entire departments, agencies, or institutions, or
 7 similar programs in several departments. The results of the audits shall be reported on
 8 or before February 1, 2008.

9 The performance audit shall include an examination of the efficiency and
 10 effectiveness of major management policies, practices, and functions, including the
 11 following areas:

- 12 (1) Planning, budgeting, and program evaluation policies and practices,
 13 including an analysis of the compliance of the executive branch with
 14 existing planning requirements, such as the Capital Improvement
 15 Planning Act, Article 1B of Chapter 143 of the General Statutes.
- 16 (2) Personnel systems operations and management.
- 17 (3) State purchasing operations and management.
- 18 (4) Information technology and telecommunications systems policy,
 19 organization, and management.
- 20 (5) Review of duplications and related or overlapping services or activities
 21 for the purpose of coordinating and streamlining programs to achieve
 22 consistent and clear objectives.

23 **SECTION 3.** The Committee shall issue a Request for Proposal (RFP) for a
 24 government performance audit to be conducted in accordance with this act. The
 25 Committee may award a contract pursuant to the RFP.

26 **SECTION 4.(a)** The sum of up to six million dollars (\$6,000,000) is
 27 transferred from the 20% Collection Assistance Fee Account, Budget Code 24704-2474,
 28 to the Civil Penalty and Forfeiture Fund for the 2006-2007 fiscal year.

29 **SECTION 4.(b)** Section 6.37(a) of S.L. 2005-276, as rewritten by Section
 30 6.9(a) of S.L. 2006-66 reads as rewritten:

31 "**SECTION 6.37.(a)** Availability. – The availability used to support appropriations
 32 made in this act from the Civil Penalty and Forfeiture Fund is based upon estimated
 33 collections of fines and forfeitures from the agencies and in the amounts listed below:

	FY 2005-2006	FY 2006-2007
34 Department of Revenue	\$ 80,000,000	\$ 63,000,000
35 Department of Transportation	\$ 15,000,000	\$ 15,000,000
36 Employment Security Commission	\$ 3,000,000	\$ 3,000,000
37 Department of Insurance	\$ 3,000,000	\$ 1,000,000
38 University of North Carolina	\$ 5,000,000	\$ 3,500,000
39 Other Agencies	\$ 14,500,000	\$10,000,000
40 <u>Transfer from the 20% Collection</u>		
41 <u>Assistance Fee Account, Budget</u>		
42 <u>Code 24704-2474</u>		<u>\$ 6,000,000</u>
43 Total Funds Available	\$ 120,500,000	\$ 95,500,000 <u>\$ 101,500,000"</u> .

