

CHAPTER 5  
STATE AUDIT ACT  
S. F. 471

AN ACT to redefine the duties of the auditor of state; to concentrate all post auditing and examining functions of state and local governments in the auditor of state; to require biennial and individual audit reports; to restrict the auditor's duties; to provide the personnel required by the auditor of state's office; to make an appropriation for additional accountants, examiners, assistants and clerks needed to audit all state institutions under the board of control and the state board of education formerly audited by certified public accountants; to provide when this act shall go into effect; and to repeal all code sections and all acts or parts of acts in conflict with this act.

*Be it enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. This act shall be known and may be cited as the "state  
2 audit act".

1 SEC. 2. On and after the passage and approval of this act, the  
2 powers, duties and functions of the auditor of state with reference  
3 to state departments and establishments, shall, until otherwise pro-  
4 vided, be those enumerated in code, 1931, sections three hundred  
5 thirty-nine (339) to three hundred forty-five (345), inclusive, and  
6 twenty-eight hundred ninety-one (2891), as they now exist or may  
7 hereafter be amended:

8 Provided, that the accounts, records and documents of the treasury  
9 department shall be audited daily;

10 Provided further, that a preliminary audit of the educational insti-  
11 tutions and the state fair board shall be made periodically, at least  
12 quarterly, to check the monthly reports submitted to the comptroller's  
13 office as required by section six (6), subsection seven (7) of the  
14 budget and financial control act and that a final audit of such state  
15 agencies shall be made at the close of each fiscal year; and,

16 Provided further, that all other departments and establishments of  
17 the state government shall be audited at least annually.

1 SEC. 3. On and after the passage and approval of this act, the  
2 powers, duties and functions of the auditor of state with reference  
3 to local governments of the state, shall, until otherwise provided, be  
4 those enumerated in code, 1931, sections one hundred eleven (111)  
5 to one hundred twenty-six (126), inclusive, as they now exist or may  
6 hereafter be amended and as enumerated in sections two hundred fifty  
7 (250), fifty-one hundred fifty-four (5154), fifty-one hundred sixty-  
8 nine-a two (5169-a2), fifty-six hundred eighty (5680), fifty-six hun-  
9 dred eighty-two (5682) and fifty-six hundred eighty-four (5684):  
10 provided, that all departments and all officials of all political sub-  
11 divisions now required by law to be audited by the auditor of state  
12 shall be audited at least annually.

1 SEC. 4. The other powers and duties of the auditor of state, on  
2 and after the passage and approval of this act, shall be those enumer-  
3 ated in code, 1931, sections one hundred ten (110), sixty-nine hun-  
4 dred ninety-four (6994) to sixty-nine hundred ninety-six (6996), in-  
5 clusive, seventy hundred eighteen (7018), eighty-five hundred eight-  
6 teen (8518) to eighty-five hundred twenty-one (8521), inclusive,  
7 eighty-five hundred twenty-three (8523), eighty-five hundred twenty-

8 four (8524), ninety-three hundred fifteen (9315), ninety-three hun-  
 9 dred nineteen (9319), ninety-three hundred twenty (9320), ninety-  
 10 three hundred thirty-three (9333), ninety-three hundred fifty-four  
 11 (9354) to ninety-three hundred sixty-two (9362), inclusive, ninety-  
 12 three hundred sixty-eight (9368), ninety-three hundred seventy-two  
 13 (9372) to ninety-three hundred seventy-six (9376), inclusive, ninety-  
 14 three hundred seventy-eight (9378) to ninety-three hundred eighty-  
 15 two (9382), inclusive, ninety-three hundred eighty-four (9384), nine-  
 16 ty-three hundred eighty-six (9386), ninety-three hundred eighty-  
 17 seven (9387), and ninety-three hundred ninety-two (9392) to ninety-  
 18 four hundred and two (9402), inclusive, as they now exist or may  
 19 hereafter be amended.

1 SEC. 5. The auditor of state shall make the following reports:

- 2 1. An annual report to the governor and general assembly of
- 3 all municipal financial operations;
- 4 2. A biennial report to the governor and the general assembly
- 5 of all operations of his office; and
- 6 3. Individual audit reports giving the results of all examinations
- 7 and audits of all departments and establishments and all fiscal officers
- 8 of the state and local governments.

1 SEC. 6. The annual report shall include statistics of all municipal  
 2 financial operations similar to those now tabulated and reported in  
 3 his annual report on municipal finances.

1 SEC. 7. The biennial report shall include:

- 2 (a) A narrative report and such statistical statements as the state
- 3 auditor deems essential to display the results of his audits of the
- 4 state departments and establishments;
- 5 (b) A narrative report and statistical statements of all county
- 6 financial operations similar to that now tabulated and reported in his
- 7 biennial report; and
- 8 (c) Statistics on building and loan associations now required by
- 9 law to be published biennially. The biennial report shall also include
- 10 the results of his audit of the documents and the records of the state
- 11 comptroller's office created in the budget and financial control act,
- 12 which records shall be audited by him; and, the results of his audit
- 13 of all taxes and other revenue collected and paid into the treasury,
- 14 and the sources thereof. This report shall also include his recom-
- 15 mendations to improve the business methods of the government and
- 16 any other matters having for their purpose to bring about increased
- 17 economy and efficiency in the conduct of the affairs of the govern-
- 18 ment.

1 SEC. 8. The individual audit reports shall include exhibits and  
 2 schedules to report data similar to that now required by section three  
 3 hundred forty-two (342) of the code, 1931, and shall as nearly as  
 4 possible correspond and be prepared similar in form to the audit  
 5 reports rendered by certified public accountants, and such reports  
 6 shall include information as to the assets and liabilities of the various  
 7 departments and institutions audited as of the beginning and close  
 8 of the fiscal year audited, the receipts and expenditures of cash, the  
 9 disposition of materials and other properties, and the net income and

10 net operating cost. These reports shall also set forth the cost as to  
11 each inmate, member, or student per year in the various classifica-  
12 tions of expenses, and shall make comparisons thereof, and shall give  
13 such other information, suggestions, and recommendations as may  
14 be deemed of advantage and to the best interests of the taxpayers  
15 of the state: provided, that the daily audit report of the state treas-  
16 ury shall be submitted to the state comptroller; provided, further,  
17 that copies of all individual audit reports of all state departments and  
18 establishments shall be transmitted to the executive council and to  
19 the state comptroller's office after the completion of each audit, and  
20 that copies of all local government audits shall, until otherwise pro-  
21 vided, be also supplied to the comptroller's office; provided, further,  
22 that copies of such audit reports shall also be supplied to the officers  
23 of the counties, schools, cities and towns, as now provided by law;  
24 and, provided further, that summaries of the findings, recommenda-  
25 tions, and comparisons, together with any other information deemed  
26 essential, shall be printed and distributed to members of the legisla-  
27 ture, and such officials, including state officers, as may be designated  
28 by the executive council.

1 SEC. 9. It is the purpose of this act to restrict the duties of the  
2 auditor of state, until otherwise provided, to that of:

3 1. Postauditing all documents, accounts and financial records of  
4 all departments and establishments of the state government, includ-  
5 ing all institutions, the treasury and the office of state comptroller;

6 2. Auditing all local government financial records and accounts  
7 and of installing a uniform system of accounting and reporting in all  
8 political subdivisions of the state as now required by law;

9 3. Performing those duties now assigned to him in title XVI,  
10 chapter three hundred thirty-two (332) of the code, 1931;

11 4. Performing those duties now assigned to him in title XVI,  
12 chapter three hundred thirty-four (334) of the code, 1931;

13 5. Performing those duties assigned to him in title XIX, chap-  
14 ter three hundred ninety-two (392) of the code, 1931;

15 6. Performing those duties imposed on him by title XXII, chap-  
16 ter four hundred seventeen (417) of the code, 1931; and

17 7. Continuing his duties as ex-officio member of the executive  
18 council and other state agencies.

1 SEC. 10. The auditor of state may employ such accountants, ex-  
2 aminers, assistants and clerks as are provided by law, or may here-  
3 after be appropriated for by the general assembly, and as may be  
4 transferred to his office as provided in section ten (10) of the budget  
5 and financial control act, and he may remove them at his pleasure:  
6 provided, that he is empowered to employ such additional accountants,  
7 examiners, assistants and clerks as may be required to perform the  
8 duties and functions assigned to him in this act and formerly pro-  
9 vided for in section three hundred ninety-seven-d one (397-d1).

1 SEC. 11. There is hereby appropriated from any funds in the  
2 state treasury, not otherwise appropriated, a sum sufficient to defray  
3 the salaries and expenses of said additional accountants, examiners,  
4 assistants and clerks: provided, that all salaries and expenses of the  
5 auditor of state's office, beginning with the fiscal year 1935-36, shall

6 be appropriated for in the regular administration, operation and main-  
7 tenance appropriation act.

8 It is the purpose of this section to provide an appropriation for  
9 auditing all state institutions under the board of control and the state  
10 board of education formerly audited by certified public accountants.

1 SEC. 12. If any section, subsection, clause, sentence or phrase of  
2 this act is for any reason held to be unconstitutional and invalid, such  
3 decision shall not affect the validity of the remaining portions of this  
4 act. The legislature hereby declares that it would have passed this  
5 act and each section, subsection, clause, sentence or phrase hereof,  
6 irrespective of whether any one or more of the sections, subsections,  
7 clauses, sentences or phrases be declared unconstitutional.

1 SEC. 13. All laws and parts of laws in conflict with this act are  
2 hereby repealed, subject, however, to the following express provision:  
3 inasmuch as this law and the concurrently enacted budget and finan-  
4 cial control act provide a new system in respect of the matters cov-  
5 ered thereby to take the place of the system now in use, any of the  
6 matters covered by this law may in whole or in part, but only with  
7 the approval of the state comptroller be dealt with in accordance with  
8 the system now in use until provision shall have been made to deal  
9 with such matters in accordance with such new system; it being in-  
10 tended by this section to enable the new system to be established in  
11 a gradual and orderly manner and without undue disturbance of the  
12 administrative functions of the government: provided, that the new  
13 system and the transfers of functions provided for by this law and  
14 the budget and financial control law shall in all respects be placed  
15 in full operation on or before December 1, 1933.

Senate File No. 471. Approved April 24, 1933.

## CHAPTER 6

### PAYMENT OF COMPTROLLER'S WARRANTS

S. F. 472

AN ACT to amend sections one hundred thirty-three (133), one hundred thirty-four (134), one hundred thirty-five (135), one hundred thirty-seven (137), one hundred forty-three-b two (143-b2), one hundred forty-three-b three (143-b3), one hundred forty-four (144), one hundred forty-five (145), code, 1931, to conform to the budget and financial control and state audit acts, and to authorize the state treasurer to accept and pay warrants drawn on him by the state comptroller.

*Be it enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Wherever the words "auditor" or "state auditor" appear  
2 in sections one hundred thirty-three (133), one hundred thirty-four  
3 (134), one hundred thirty-five (135), one hundred thirty-seven (137),  
4 one hundred forty-three-b two (143-b2), one hundred forty-three-  
5 b three (143-b3), one hundred forty-four (144), one hundred forty-  
6 five (145), code, 1931, the same shall be stricken out and the words  
7 "state comptroller" inserted in lieu thereof.

Senate File No. 472. Approved April 24, 1933.