

CHAPTER 1123
AUDITS OF COUNTIES

H.F. 48

AN ACT authorizing counties to contract with certified public accountants to audit their financial records and transactions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 11.6, unnumbered paragraph 1, Code 1983, is amended to read as follows:

The financial condition and transactions of all counties shall be examined once each year by the auditor of state. ~~Provided however that~~ However, in lieu of an examination by state accountants, the board of supervisors and the local governing body ~~bodies~~ of county hospitals organized under chapters 347 and 347A and memorial hospitals organized under chapter 37, ~~in case it elects to do so,~~ may contract with or employ, under rules promulgated by the auditor of state, certified ~~or registered~~ public accountants, certified ~~and registered~~ in the state of Iowa, and pay for ~~the same them~~ from the proper public funds; in the same manner and under the same conditions as provided in sections 11.18 and 11.19 for cities and school districts. If a board of supervisors elects to have the audit made by certified public accountants, it shall notify the auditor of state within sixty days after the close of the fiscal year to be audited. The report of ~~such~~ the examination of a county, county hospital, or county memorial hospital filed by the accountant employed with the auditor of state, as required by section 11.19, shall be in the form prescribed by the auditor of state.

The auditor of state shall have the authority to review the audit workpapers prepared by a certified public accountant in the performance of the annual examination of a county, provided that, except where the public interest requires otherwise, no more than one such review shall be made in any three-year period so long as only one certified public accountant performs the examination of the county during that period. All actual and necessary expenses incurred by the auditor of state in the performance of the review shall be reimbursed by the certified public accountant whose workpapers are subject to the review, provided that the amount reimbursed shall not exceed the greater of one thousand dollars or ten percent of the fee collected by the accountant from the county to conduct the examination.

Sec. 2. Section 331.402, subsection 2, Code 1983, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. Contract with certified public accountants to conduct the annual audit of the financial accounts and transactions of the county as provided in section 11.6.

Approved April 20, 1984