

**Senate Bill 13-129**  
**Concerning the Modification of Certain Statutory**  
**Requirements Directing the Office of the State Auditor**  
**to Review Compliance with Statutory Obligations**

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**What Would This Bill Do and Why is it Necessary?**

This Bill would amend various audit requirements to allow for more strategic allocation of audit resources to address higher risk areas and audit requests. In addition, audit cycles less than five years do not allow time for programs to implement prior recommendations and affect change. By moving audit cycles to five years, we are allowing this time for change and still continue to monitor the programs.

- **Office of Administrative Courts Administrative Law Judges.** Changes this from a required four-year audit cycle to the discretion of the State Auditor. We have completed this audit four times, and would evaluate this Office to be a low risk to audit. The last three audits contained recommendations to “continue to improve...” and no cost savings.

The Department of Personnel and Administration supports this change.

- **Colorado Travel and Tourism Promotion Fund.** Changes the required audit cycle from two to five years. We have conducted the required audit procedures since 2002, and conducted a performance audit in 2009. As of the 2012 report, all recommendations have been implemented, with one recommendation relating to improved minutes and budget reporting to the Board partially implemented. We would evaluate this Fund to be a low risk to audit.

The Colorado Tourism Office supports this change.

- **State Employee Cost Savings Idea Verification.** Adds a minimum of \$10,000 savings before the State Auditor verification is required. The last State Employee Cost Savings Idea submitted to the Office of the State Auditor cost taxpayers \$3,000 for the verification work to realize savings of \$300 by the Department.
- **Reporting on Departments’ Compliance with Secure and Verifiable.** Removes the reporting requirement. The *Secure and Verifiable Identity Document Act Performance Audit* (November 2008) determined that “there are a number of issues that make the Act’s implementation difficult, if not impossible. These issues have a corresponding impact on our ability to audit compliance.” These issues have not been clarified and we have been unable to comply with the reporting requirement.
- **Colorado Auto Theft Prevention Cash Fund.** Changes the required audit cycle from two to five years. We have conducted this audit twice, with the second audit resulting in no findings. We would evaluate this Fund to be a low risk to audit.

The Colorado Auto Theft Prevention Authority Director does not oppose this change and indicated that the Board may contract with an outside consultant to review the fund on a two-year basis if this audit requirement changes.