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## **An Act To Clarify the Department of Audit's Municipal Internal Control Observation Program**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 30-A MRSA §5822**, as enacted by PL 1987, c. 737, Pt. A, §2 and Pt. C, § 106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is further amended to read:

### **§ 5822. Investigation of accounting and auditing system**

The State Auditor may inquire into the accounting and auditing system of any municipality or any quasi-municipal corporation not under the jurisdiction of the Public Utilities Commission. The officers of that municipality or quasi-municipal corporation shall furnish information pertaining to the system in the form prescribed by the State Auditor except that, for a municipality that has contracted for and executed an annual post-audit for the most recent fiscal year for which all transactions have been closed out, participation in a Department of Audit observation program, including but not limited to the municipal internal control observation program, is voluntary.

### **SUMMARY**

This bill clarifies that if a municipality has for the most recent fiscal year conducted and executed an annual post-audit, then participation in the Department of Audit's municipal internal control observation program or a similar observation program is voluntary.