

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

Senate Bill 354 (Senator Currie, *et al.*) (Chairman, Joint Audit Committee)
Economic and Environmental Affairs

Office of Legislative Audits - Private Foundations

This bill authorizes the Office of Legislative Audits to access and review the audit reports, including the auditor's working papers, and management letters of each private foundation affiliated with a unit of State government. The office may conduct an audit of an affiliated foundation if the Joint Audit Committee determines that an audit is warranted as a result of the review of the above reports or an audit of the affiliated unit of State government.

The Office of Legislative Audits may not charge a foundation for the review or audits and may not disclose information regarding the identity of the foundation's donors. The office shall rely on the work of other auditors and the Secretary of State to avoid a duplication of effort. The audit shall: (1) focus on material financial transactions and internal controls, the interrelationship of the foundation and the unit of State government, and the role of the foundation with respect to the programs and services provided by the unit of State government; (2) recognize that a private foundation is not required to comply with certain State law and regulations; and (3) be conducted in accordance with generally accepted auditing standards. The results of the audit may be separately reported or included in the audit report on the applicable unit of State government.

Fiscal Summary

State Effect: None. The bill's requirements could be handled with existing budgeted resources by reallocating resources.

Local Effect: None.

Small Business Effect: None.

Information Source(s): Secretary of State, Department of Legislative Services (Office of Legislative Audits)

Fiscal Note History:

First Reader - March 3, 1999

Inc/jr

Revised - Senate Third Reader - March 26, 1999

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