

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 HOUSE BILL 2090

By: Menz

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6 AS INTRODUCED

7 An Act relating to the State Auditor and Inspector;  
8 amending 74 O.S. 2021, Section 213, which relates to  
9 examination of public institutions; requiring the  
10 State Auditor and Inspector perform a special audit  
11 of the Oklahoma Turnpike Authority by certain date;  
12 listing contents of special audit; requiring written  
13 report be distributed; providing an effective date;  
14 and declaring an emergency.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 74 O.S. 2021, Section 213, is  
17 amended to read as follows:

18 Section 213. A. It shall be the duty of the State Auditor and  
19 Inspector, or designee, to examine and report upon the books and  
20 financial accounts of the public, educational, charitable, penal and  
21 reformatory institutions belonging to the state; to prescribe and  
22 enforce correct methods of keeping financial accounts of the state  
23 institutions and instruct the proper officers thereof in the  
24 performance of their duties concerning the same; to examine the  
books and accounts of all public institutions under the control of

1 the state at least once each year. Any officer of such public,  
2 educational, charitable, penal and reformatory institutions who  
3 shall refuse or willfully neglect to comply with such direction of  
4 the State Auditor and Inspector within a reasonable time shall be  
5 guilty of a misdemeanor.

6 B. Each board of regents of institutions in The Oklahoma State  
7 System of Higher Education shall require a quality control review of  
8 the internal audit function required pursuant to subsection D of  
9 Section 3909 of Title 70 of the Oklahoma Statutes for each  
10 institution under its governance at least once every three (3)  
11 years. This review shall be in accordance with the "Quality  
12 Assurance Review Manual for Internal Auditing" developed by the  
13 Institute of Internal Auditors or any successor organization  
14 thereto. A copy of the report on the quality control review shall  
15 be filed with the State Auditor and Inspector.

16 C. 1. The State Auditor and Inspector shall perform a special  
17 audit on elementary, independent, and technology center school  
18 districts upon receiving a written request to do so by any of the  
19 following: the Governor, Attorney General, President Pro Tempore of  
20 the Senate, Speaker of the House of Representatives, State Board of  
21 Education, or the elementary, independent, or technology center  
22 school district board of education.

23 2. The State Auditor and Inspector shall perform a special  
24 audit on any institution of higher education within The Oklahoma

1 State System of Higher Education whenever the State Auditor and  
2 Inspector deems it appropriate or upon receiving a written request  
3 to do so by any of the following: the Governor, the Attorney  
4 General, the President Pro Tempore of the Senate, the Speaker of the  
5 House of Representatives, the governing board of the institution of  
6 higher education, or the president of the institution of higher  
7 education.

8 3. The special audit shall include, but not necessarily be  
9 limited to, a compliance audit. Such audits shall be designed to  
10 review items for management's compliance with statutes, rules,  
11 policies and internal control procedures or other items applicable  
12 to each entity. The costs of any such audit shall be borne by the  
13 audited entity and may be defrayed, in whole or in part, by any  
14 federal funds available for that purpose.

15 D. In addition to any special audit conducted by the State  
16 Auditor and Inspector as provided for in subsection C of this  
17 section, the State Auditor and Inspector shall, contingent upon the  
18 availability of funding, perform a special audit, without notice, on  
19 not more than four common school districts each year. The special  
20 audit shall be in a form as determined by the State Auditor and  
21 Inspector.

22 E. The State Auditor and Inspector shall perform a special  
23 audit without notice on the office of any district attorney or on  
24 any division of the Department of Corrections upon receiving a

1 written request to do so by any of the following: the Governor, the  
2 Attorney General, or joint request of the President Pro Tempore of  
3 the Senate and the Speaker of the House of Representatives. The  
4 State Auditor and Inspector shall perform a special audit without  
5 notice on any penal institution, corrections program, contract for  
6 service or prison bed space provided to the Department of  
7 Corrections, or any program administered by a district attorney's  
8 office or staff of such office whenever the State Auditor and  
9 Inspector deems it appropriate or upon receiving a written request  
10 to do so by any of the following: the Governor, the Attorney  
11 General, or joint request of the President Pro Tempore of the Senate  
12 and the Speaker of the House of Representatives. The special audit  
13 shall include, but not necessarily be limited to, a compliance  
14 audit. Such audits shall be designed to review items for compliance  
15 with statutes, rules, policies and internal control procedures or  
16 other items applicable to each entity. The costs of any such audit  
17 shall be paid by the state agency and may be defrayed, in whole or  
18 in part, by any federal funds available for that purpose through any  
19 audited program.

20 F. The State Auditor and Inspector shall perform a special  
21 audit of the Oklahoma Turnpike Authority to be completed no later  
22 than December 1, 2023. The special audit shall:

23 1. Provide a determination of the amount of revenue that is  
24 required to be generated in order for the Oklahoma Turnpike

1 Authority to repay the original cost of existing turnpikes and the  
2 length of time it will take to generate the funds so that turnpikes  
3 can be conveyed to state ownership and converted to toll-free roads;

4 2. Provide an assessment of risk within the agency and develop  
5 performance audit objectives during each audit cycle;

6 3. Conduct a fifteen-year look-back and ten-year projection of  
7 maintenance reserve fund balance, deposits, and expenditures and an  
8 explanation cross-pledging refinancing practices;

9 4. Provide an explanation of the gap between the required  
10 reserve maintenance fund deposits and the actual reserve maintenance  
11 fund deposits and why they have not met the minimum as per the trust  
12 agreement; and

13 5. Provide an explanation of the financial impact of cost-  
14 overruns on the recent Driving Forward Program.

15 The State Auditor and Inspector's office shall provide a written  
16 report of the special audit to the Governor, President Pro Tempore  
17 of the Oklahoma State Senate, Speaker of the Oklahoma House of  
18 Representatives, Legislative Office of Fiscal Transparency, and  
19 members of the Transportation Committees of the Senate and House of  
20 Representatives.

21 SECTION 2. This act shall become effective November 1, 2025.

22 SECTION 3. It being immediately necessary for the preservation  
23 of the public peace, health or safety, an emergency is hereby  
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1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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