

COMMITTEE SUBSTITUTE

for

**H. B. 2015**

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(BY DELEGATE(S) FOSTER, ESPINOSA,  
SUMMERS, MILLER, LANE, DUKE, ELLINGTON, MCGEEHAN,  
STORCH, HOWELL AND IHLE)

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(Originating in the Committee on Finance)  
[February 27, 2015]

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A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §4-2-4a; and to amend and reenact §4-10-3 of said code, all relating to the examination of spending units by the Legislative Auditor generally; requiring the legislative auditor to make certain post audits during 2015 and to make a report on the post audit process at the direction of the Joint Committee on Government and Finance on or before December 1, 2015, that includes recommendations for the formulation of a

regular schedule for making post audits of each spending unit of the state government; providing for a report to the Legislature by the Joint Committee on Government and Finance; and clarifying definitions of certain terms.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §4-2-4a; and to amend and reenact §4-10-3 of said code, all to read as follows:

**ARTICLE 2. LEGISLATIVE AUDITOR; POWERS; FUNCTIONS; DUTIES; COMPENSATION.**

**§4-2-4a. Duty of Legislative Auditor conduct post audits in 2015; report to the to Joint Committee on Government and Finance on the post audit process.**

1        (a) During 2015, as directed by the Joint Committee on  
2        Government and Finance, the Legislative Auditor shall make a  
3        post audit of the revenues and expenditures of the State Board of  
4        Education, the Division of Highways and the Division of  
5        Corrections as provided in section four of this article. In  
6        conjunction with making the post audits described in this  
7        section, as directed by the Joint Committee on Government and  
8        Finance, the Legislative Auditor shall study the post audit

9 process and prepare a report to the Joint Committee on  
10 Government and Finance that provides recommendations for the  
11 formulation of a regular schedule for making post audits of each  
12 spending unit of the state government. The study and report shall  
13 also include a review of this state's current process for making  
14 post audits; an analysis of this state's experience in making post  
15 audits; a survey of post audit processes in other states, including  
16 but not limited to, the frequency with which other states make  
17 post audits of their spending units; the estimated costs to the  
18 state of various frequencies of making post audits of each  
19 spending unit on a scheduled basis; recommendations for the  
20 optimal frequency with which a post audit should be made of  
21 each spending unit; and such other recommendations as the  
22 Legislative Auditor may have to improve the post audit process  
23 in this state and eliminate any misapplication of state funds or  
24 erroneous, extravagant or unlawful expenditures by any spending  
25 unit. The report shall be delivered to the Joint Committee on  
26 Government and Finance with copies to the President of the  
27 Senate, the Speaker of the House of Delegates and the remaining  
28 members of the Joint Committee on Government and Finance on

29 or before December 1, 2015. On or before the first day of the  
30 2016 Regular Session of the Legislature, the Joint Committee on  
31 Government and Finance shall make a report to the Legislature  
32 of such recommendations for the formulation of a regular  
33 schedule for making post audits of each spending unit of the  
34 state government as it may deem proper.

**ARTICLE 10. PERFORMANCE REVIEW ACT.**

**§4-10-3. Definitions.**

1 As used in this article, unless the context clearly indicates a  
2 different meaning:

3 (a) “Agency” or “state agency” means a state governmental  
4 entity, including any bureau, department, division, commission,  
5 agency, committee, office, board, authority, subdivision,  
6 program, council, advisory body, cabinet, panel, system, task  
7 force, fund, compact, institution, survey, position, coalition or  
8 other entity in the State of West Virginia.

9 (b) “Agency review” means a review performed ~~on agencies~~  
10 ~~of a department~~ pursuant to the provisions of this article.

11 (c) “Committee” means the Joint Committee on Government  
12 Operations.

13 (d) “Compliance review” means a review for compliance  
14 with recommendations contained in a previous agency review or  
15 regulatory board review conducted pursuant to the provisions of  
16 this article and may include further inquiry of other issues as  
17 directed by the President, the Speaker, the Legislative Auditor,  
18 the committee or the joint standing committee.

19 (e) “Department” means the departments created within the  
20 executive branch, headed by a secretary appointed by the  
21 Governor, as authorized by the Code of West Virginia.

22 (f) “Department presentation” means a presentation by a  
23 department pursuant to the provisions of this article.

24 (g) “Division” means ~~the Performance Evaluation and~~  
25 ~~Research Division~~ of the Legislative Auditor Auditor’s Office.

26 (h) “Joint standing committee” means the Joint Standing  
27 Committee on Government Organization.

28 (i) “Privatize” means a contract to procure the services of a  
29 private vendor to provide a service that is similar to, and/or in  
30 lieu of, a service provided by a state agency.

31 (j) “Regulatory Board” means a board that regulates  
32 professions and occupations, created under the provisions of  
33 chapter thirty of this code.

34 (k) “Regulatory Board Review” means a review performed  
35 on a regulatory board pursuant to the provisions of this article.



