

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: SB791

House of Origin	<input type="checkbox"/>	Introduced	<input checked="" type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Garrett

3. Committee: General Laws & Technology

4. Title: A Bill to amend and reenact § 2.2-309 of the Code of Virginia, relating to the Office of the State Inspector General conducting performance reviews of state agencies.

5. Summary: This Bill requires the State Inspector General to develop and implement an audit work plan based on risk assessment methodology. Audit plan will be created within existing funding and forwarded to the Governor and the General Assembly on or before July 1, 2014.

6. Budget Amendment Necessary: No. The creation of this audit plan can be accomplished with existing agency funding.

7. Fiscal Impact Estimates: None

8. Fiscal Implications: None

9. Specific Agency or Political Subdivisions Affected: Inasmuch as this approach will serve to identify agencies most at risk for waste, fraud, abuse, corruption, inefficiency, or other misuse of public resources, SB791 has the potential of affecting all executive branch agencies.

10. Technical Amendment Necessary: No

11. Other Comments: The original version of SB791 required performance reviews every four years of all state agencies, and would have required substantial additional funding for the Office of State Inspector General (OSIG). This substitute bill requires that the OSIG create a risk-based audit plan to identify indicators suggesting evidence of waste, fraud, abuse, duplicative or unproductive functions, illegal activities, and lacking or ineffective internal controls. This approach will allow the State Inspector General to create the methodology to prioritize performance reviews of state agencies and deploy state audit resources more effectively and efficiently.

Date: 2/6/13

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