**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 2‑15‑68 SO AS TO PROVIDE THAT THE LEGISLATIVE AUDIT COUNCIL SHALL CONDUCT A MANAGEMENT PERFORMANCE AUDIT OF ONE‑FIFTH OF THE SCHOOL DISTRICTS IN SOUTH CAROLINA SELECTED AT RANDOM BY THE STATE DEPARTMENT OF EDUCATION, TO PROVIDE THAT THE COST OF THE AUDIT MUST BE REIMBURSED BY THE SCHOOL DISTRICT, AND TO PROVIDE THAT THE COUNCIL MAY CONTRACT WITH AN INDEPENDENT FIRM AT THE EXPENSE OF THE DISTRICT.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 15, Title 2 of the 1976 Code is amended by adding:

“Section 2‑15‑68. (A) Beginning in December 2009, and every year thereafter, the Legislative Audit Council shall conduct a management performance audit of one‑fifth of the local public school districts in South Carolina selected at random by the State Department of Education. The cost of this audit is an operating expense of the council but must be reimbursed by the audited school district before the district may receive state aid.

(B) Nothing in this section limits, abridges, or otherwise affects the provisions of Section 2‑15‑60.

(C) The council may contract with an independent firm experienced in management, accounting, and public policy procedures related to the funding of school districts. The firm may not have a financial interest in the school districts of the State. The cost of the evaluation is an operating expense of the school district, and the district must pay directly to the council the cost of the evaluation.”

SECTION 2. This act takes effect upon approval by the Governor.

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