

HOUSE BILL 1828

By Brooks K

AN ACT to amend Tennessee Code Annotated, Title 6;
Title 7; Title 10; Title 56 and Title 68, relative to
private act hospital authorities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 57, Part 4, is amended by
adding the following new section thereto:

7-57-405.

(a) Any hospital authority created by and under this chapter shall prepare
an annual report of its activities through June 30 of each year, and submit a copy
of such report to the comptroller of the treasury.

(b)

(1) The annual reports and all books of accounts and financial
records of all funds received by grant, contract or otherwise from state,
local, or federal sources of a hospital authority shall be subject to audit
annually by the comptroller of the treasury. The audit may be performed
by a licensed independent public accountant selected by the hospital and
approved by the comptroller of the treasury. The cost of any audit shall be
paid by the hospital.

(2) The comptroller of the treasury shall ensure that audits are
prepared in accordance with generally accepted governmental auditing
standards and determine if the audits meet minimum audit standards
prescribed by the comptroller of the treasury. No audit may be accepted

as meeting the requirements of this section until approved by the comptroller of the treasury.

(3) All audits shall be completed as soon as practicable after the end of the fiscal year of the hospital authority. One (1) copy of each audit shall be furnished to each member of the board of the hospital and the comptroller of the treasury. Copies of each audit shall also be made available to the public in a manner to be determined by the comptroller of the treasury.

(4) All audits performed by the internal audit staff of any such hospital authority shall be conducted in accordance with the standards established by the comptroller of the treasury pursuant to § 4-3-304(9).

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.