

2021 Kansas Statutes

74-8774. Audits; selection of firm. (a) (1) Beginning in calendar year 2019, and at least once every three years thereafter, there shall be conducted a security audit of the Kansas lottery. Any security audit conducted pursuant to this section shall include a comprehensive study and evaluation of all aspects of security in the operation of such state agency. The firm to conduct a security audit shall be selected and shall perform such audit work as provided in K.S.A. 74-8776 through 74-8779, and amendments thereto. The firm selected to perform a security audit shall be experienced in security procedures, including, but not limited to, computer systems and security. A contract to conduct such a security audit required by this subsection shall not be awarded until a background investigation is conducted by the executive director of the Kansas lottery on the person or firm selected to perform the audit. Such background investigation shall include: (A) The vendor to whom the contract is to be awarded; (B) all persons who own a controlling interest in such vendor; and (C) all applicable staff having involvement with the audit.

(2) For the purpose of conducting a security audit under this subsection, a person or a firm selected to perform the security audit shall not be limited to a legal entity permitted by law to engage in practice as a certified public accountant.

(b) Beginning in calendar year 2019, a financial-compliance audit shall be conducted annually on the accounts and transactions of the Kansas lottery and the Kansas lottery commission. The first financial-compliance audit shall examine the accounts and transactions for fiscal year 2019. The firm to conduct this audit work shall be selected as provided in K.S.A. 74-8776 and 74-8777, and amendments thereto. The audits required pursuant to this subsection shall be conducted in accordance with generally accepted governmental auditing standards, and shall be conducted as soon after the close of the fiscal year as practicable, but shall be completed no later than the deadlines as set forth in K.S.A. 74-8779, and amendments thereto.

History: L. 2018, ch. 89, § 1; May 24.