

TITLE 1: GOVERNMENT
DIVISION 7: PLANNING, BUDGETING AND AUDITING

§ 7813. Definitions.

As used in this part:

(a) “Agency” means any entity established or funded by law of the Commonwealth government or a local government. Agency includes the following entities and their officers, directors, employees, and independent contractors: any authority, board, branch, bureau, commission, cooperative, council, department, division, fund, group, institution, political division, office, or public corporation, including any autonomous or semiautonomous governmental entity.

(b) “Audit” means an independent examination of books, performance, documents, records, and other evidence relating to the receipt, possession, obligation, disbursement, expenditure, or use of public funds by any agency or any activity of any agency; or relating to any contract or grant to which any agency is a party, including any operations relating to the transactions. Audit includes financial audits, performance audits, and program audits or any combination of the audits that the Public Auditor may deem appropriate.

(c) “Constitution” means the Constitution of the Northern Mariana Islands.

(d) “Coordinating group” means the Interagency Audit Coordinating Advisory Group established by 1 CMC § 2307.

(e) “Financial audit” means an audit to determine:

(1) Whether financial operations of any agency, or any relevant financial operations of any government contractor or grantee, have been properly conducted;

(2) Whether any financial report of any agency, contractor, or grantee has been fairly presented; and

(3) Whether any agency, contractor, or grantee has complied with laws and regulations applicable to its operations.

(f) “Performance audit” means an audit to determine whether an agency has managed or used its funds, personnel, property, space, and other resources in an effective and efficient manner, and to identify the cause of any inefficiency or ineffective practice, including any inadequacy in management information systems, administrative procedures, or organizational structure;

(g) “Program audit” means an audit to determine:

(1) Whether the desired results or benefits of agency programs or activities or of any contract or grant, are being achieved;

(2) Whether the objectives established by the legislature, or otherwise established pursuant to law or by the Constitution, are being met; and

(3) Whether the agency, contractor, or grantee has considered alternatives which might yield desired results more effectively or at lower cost.

Source: PL 3-91, § 102, modified.