WEST VIRGINIA CODE: §6-9-1A

§6-9-1a. Definitions.

As used in this article:

(a) “Audit” means a systematic examination and collection of sufficient, competent evidential matter needed for an Auditor to attest to the fairness of management’s assertions in the financial statements and to evaluate whether management has sufficiently and effectively carried out its responsibilities and complied with applicable laws and regulations. An audit shall be conducted in accordance with generally accepted auditing standards, standards issued by the chief inspector, and, as applicable, the single audit requirement of the Uniform Guidance, Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as amended or revised from time to time, or any successor circular or regulation of the Office of Management and Budget.

(b) “Examination” includes an audit, review, or small government monitoring as defined in this section.

(c) “Federal awards” means federal financial assistance and federal cost-reimbursement contracts that nonfederal entities receive directly from federal awarding agencies or indirectly from pass-through entities.

(d) “Federal financial assistance” means assistance that nonfederal entities receive or administer in the form of grants, loans, loan guarantees, property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, or other assistance, but does not include amounts received as reimbursement for services rendered to individuals in accordance with guidance issued by the director of the federal office of management and budget.

(e) “Financial audit” includes financial statement audits and financial related audits, as defined by government auditing standards.

(f) “Government auditing standards” means the government auditing standards issued by the Comptroller General of the United States, which are applicable to financial audits of government organizations, programs, and activities.

(g) “Investigation” means an examination, inspection, or review of a local government’s finances to determine or ascertain whether fraudulent, illegal, or improper conduct has occurred, including, but not limited to, misappropriation, waste, or misuse of moneys or assets.

(h) “Local government” means any unit of local government within the state, including a

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county, county board of education, municipality, and any other authority, board, commission, district, office, public authority, public corporation, or other instrumentality of a county, county board of education, or municipality or any combination of two or more local governments.

(i) "Nonfederal entity" means a state, local government, or nonprofit organization.

(j) "Office of Management and Budget" means the executive Office of the President of the United States, Office of Management and Budget.

(k) "Proper legal authority" means the prosecuting attorney of the county wherein the audited, examined, or investigated entity is located, the Attorney General, law enforcement, or other legal authority the chief inspector deems appropriate.

(l) "Review" means an inquiry or analytical procedures that provide the Auditor with a reasonable basis for expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles or, if applicable, with another comprehensive basis of accounting.

(m) "Single audit" means a financial and compliance audit as defined in the federal Single Audit Act of 1996, as amended, in section 7502(d), chapter 75, title 31 of the United States Code, of a nonfederal entity that includes the entity's financial statements and federal awards. Each single audit conducted for any fiscal year shall cover the operations of the entire nonfederal entity; or at the option of the nonfederal entity, the audit shall include a series of audits that cover departments, agencies, and other organizational units that expend or otherwise administer federal awards during the fiscal year being audited except that each such audit shall encompass the financial statements and schedule of expenditures of federal awards for each department, agency, and organizational unit, which shall be considered to be a nonfederal entity.

(n) "Small government monitoring" means specialized procedures, performed on certain qualifying local governments as a lower cost alternative to an audit or review.

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