

1 Amend 2 Cal. Code Regs. Section 18998:

2 **§ 18998. Commission Audits and Investigations.**

3 (a) To the extent applicable, Commission staff shall apply the same auditing guidelines,  
4 standards, and scope when performing audits pursuant to Section 90006 as the Franchise Tax  
5 Board when performing audits pursuant to Section 90001. These guidelines, standards, and scope  
6 are enumerated in Section 90002 and Regulations 18994-18995~~6~~. Commission staff shall prepare  
7 reports consistent with the requirements in Section 90004 and Regulation 18995.

8 (b) Audits and investigations conducted pursuant to Sections 90003 or 90008 shall be  
9 undertaken at the direction of the Chief of Enforcement and conducted consistent with the  
10 following standards:

11 (1) Auditors and investigators shall have adequate training and proficiency for the tasks  
12 required.

13 (2) Auditors and investigators shall maintain an independent mental attitude free of  
14 personal or political bias when conducting their work.

15 (3) Auditors and investigators shall use due professional care in conducting their work.

16 (4) Auditors and investigators shall be properly supervised.

17 (5) All records and other evidence shall be obtained through legal means and properly  
18 documented.

19 (6) The scope of audits and investigations shall not exceed that which is permissible by  
20 law.

21 Note: Authority cited: Section 83112, Government Code. Reference: Section 90000, et seq.,  
22 Government Code.