

## LEGISLATIVE BILL 29

Approved by the Governor November 15, 1985

Introduced by Wesely, 26

AN ACT relating to audits; to amend sections 23-252, 23-1608, 23-1613, and 79-2210.04, Reissue Revised Statutes of Nebraska, 1943, and section 84-304, Revised Statutes Supplement, 1984; to authorize certain public bodies to contract for audits; to change the duties of the Auditor of Public Accounts; to harmonize provisions; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 23-252, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:  
 23-252. In each town, the clerk, the treasurer, and the ~~chairman~~ chairperson of the board shall examine the accounts of the overseers of highways for money received and disbursed by them; and shall require all officers to account to such board for any and all such money received and disbursed by such officers in their official capacity. Such board shall examine and audit all charges and claims against the town; and the compensation of all town officers. In case of the absence of any of ~~said~~ such officers; or their failure to attend any meeting of the board, the two attending may appoint any qualified elector to act with them in the place of the absentee, and the appointee shall act, only for such meeting, in the place of such absentee as a member of such board. Each township shall make an annual budget statement as set out in sections 23-921 to 23-933. The county board may require an audit of the accounts of any township within the county, whenever in its judgment such audit is necessary. The county board may contract with the Auditor of Public Accounts or select a licensed public accountant or certified public accountant or firm of such accountants to conduct the audit. The original copy of the audit shall be filed in the office of the Auditor of Public Accounts. The audit shall be made by the Auditor of Public Accounts.

Sec. 2. That section 23-1608, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:  
 23-1608. An examination of the books, accounts, records, and affairs of all county officers in every county in the state and a ~~shall be made; by the direction and under the supervision of the Auditor of Public Accounts; at such times as the Auditor of Public Accounts shall determine.~~ A complete and comprehensive audit of the books, accounts,

records, and affairs of all county officials in each county shall be made annually. Each county board may contract with the Auditor of Public Accounts or select a licensed public accountant or certified public accountant or firm of such accountants to conduct the examination and audit. The original copy of the audit shall be filed in the office of the Auditor of Public Accounts, by the direction and under the supervision of the Auditor of Public Accounts. No notice of the examination or audit shall be given the officer or any person connected with the office to be examined or audited prior to its commencement.

Sec. 3. That section 23-1613, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-1613. The Auditor of Public Accounts is authorized to deputize or empower competent accountants to make the examinations and audits provided for in section 23-1608, and to establish uniformity in the system of keeping accounts at salaries to be fixed by such auditor. The Auditor of Public Accounts is further authorized to employ one assistant for each accountant at a salary to be fixed by such auditor. The salaries of accountants and their assistants shall be paid out of the Auditor of Public Accounts Cash Fund or such fund funds as the Legislature may specifically appropriate for that purpose, during any biennium.

Sec. 4. That section 79-2210.04, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-2210.04. A complete and comprehensive annual audit of the books, accounts, records, and affairs of each educational service unit shall be made annually. The board of each educational service unit may contract with the Auditor of Public Accounts or select a licensed public accountant or certified public accountant or firm of such accountants to conduct the audit, by the direction and under the supervision of the Auditor of Public Accounts. Such audit shall be conducted in the same manner as audits of county officers. The original copy of the audit shall be filed in the office of the Auditor of Public Accounts.

Sec. 5. That section 84-304, Revised Statutes Supplement, 1984, be amended to read as follows:

84-304. It shall be the duty of the Auditor of Public Accounts:

(1) To give information in writing to the Legislature, whenever required, upon any subject relating to the fiscal affairs of the state or in regard to any duty of his or her office;

(2) To furnish offices for himself or herself and all fuel, lights, books, blanks, forms, paper, and stationery required for the proper discharge of the duties of his or her office;

(3) To examine or cause to be examined, at such time as he or she shall determine, books, accounts,

vouchers, records, and expenditures of all state officers, state bureaus, state boards, state commissioners, state library, societies and associations supported by the state, state institutions, state colleges, and the University of Nebraska, except when required to be performed by other officers or persons, and to report promptly to the Director of Administrative Services and the appropriate standing committee of the Legislature the fiscal condition shown by such examinations, including any irregularities or misconduct of officers or employees, any misappropriation or misuse of public funds or property, and any improper system or method of bookkeeping or condition of accounts; and to this end the Auditor of Public Accounts shall appoint two assistant deputies (a) whose entire time shall be devoted to the service of the state as directed by the auditor, (b) who shall be certified public accountants with at least five years' experience, (c) who shall be selected without regard to party affiliation or to place of residence at the time of appointment, (d) who shall promptly report in duplicate to the auditor the fiscal condition shown by each examination, including any irregularities or misconduct of officers or employees, any misappropriation or misuse of public funds or property, and any improper system or method of bookkeeping or condition of accounts, and it shall be the duty of the auditor to file promptly with the Governor a duplicate of such report, and (e) who shall qualify by taking an oath which shall be filed in the office of the Secretary of State; and

(4) Conduct audits and related activities for state agencies, political subdivisions of this state, or grantees of federal funds disbursed by a receiving agency on a contractual or other basis for reimbursement to assure proper accounting by all such agencies, political subdivisions, and grantees for funds appropriated by the Legislature and federal funds disbursed by any receiving agency. The Auditor of Public Accounts may contract with any county or educational service unit for the performance of an audit of such political subdivision. The auditor shall deposit the receipts for such audits and services in the Auditor of Public Accounts Cash Fund. The fees charged by the auditor for conducting audits on a contractual basis shall be in an amount sufficient to pay the costs of the audit. cash fund maintained for the making of cooperative audits.

Sec. 6. That original sections 23-252, 23-1608, 23-1613, and 79-2210.04, Reissue Revised Statutes of Nebraska, 1943, and section 84-304, Revised Statutes Supplement, 1984, are repealed.

Sec. 7. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.