

LEGISLATIVE BILL 1304

Approved by the Governor April 11, 2000

Introduced by Janssen, 15; Hartnett, 45

AN ACT relating to the Auditor of Public Accounts; to amend section 84-304, Reissue Revised Statutes of Nebraska; to change provisions relating to examinations of fire protection districts; and to repeal the original section.

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

Section 1. Section 84-304, Reissue Revised Statutes of Nebraska, is amended to read:

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 with 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)~~(a)~~ 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, the 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; ~~7~~

~~(b)~~ ~~to~~ (4) To examine or cause to be examined, at the expense of the political subdivision, when the Auditor of Public Accounts determines such examination necessary or when requested by the political subdivision, the books, accounts, vouchers, records, and expenditures of an agricultural association formed under Chapter 2, article 20, county agricultural society, joint airport authority formed under the Joint Airport Authorities Act, city or county airport authority, development district, regional council, drainage district, ~~fire protection district~~, health district, historical society, hospital authority or district, county hospital, irrigation district, county or municipal library, community mental health center, railroad transportation safety district, rural water district, township, or the Wyuka Cemetery; ~~7 and~~

~~(c)~~ ~~to~~ (5) To report promptly to the Director of Administrative Services and the appropriate standing committee of the Legislature the fiscal condition shown by such examinations conducted by the auditor, 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;

(6)(a) To examine or cause to be examined the books, accounts, vouchers, records, and expenditures of a fire protection district. The expense of the examination shall be paid by the political subdivision. An examination of any volunteer department as defined in section 35-901 shall not include an examination of the volunteer department trust fund.

(b) Whenever the expenditures of a fire protection district are less than one hundred fifty thousand dollars per fiscal year, the fire protection district shall be audited no more than once every five years except as directed by the board of directors of the fire protection district or unless the ~~Auditor of Public Accounts~~ auditor receives a verifiable report from a third party indicating any irregularities or misconduct of officers or employees of the fire protection district, any misappropriation or misuse of public funds or property, or any improper system or method of bookkeeping or condition of accounts of the fire protection district. In the absence of such a report, the ~~Auditor of Public Accounts~~ auditor may waive the five-year audit requirement upon the submission of a written request by the fire protection district in a form prescribed by the ~~Auditor of Public Accounts~~ auditor. The ~~Auditor of Public Accounts~~ auditor shall notify the fire protection district in writing of the approval or denial of a request for waiver of the five-year audit requirement. Upon approval of the request for waiver of the five-year audit requirement, a new five-year audit period shall begin.

(c) Whenever the expenditures of a fire protection district exceed one hundred fifty thousand dollars in a fiscal year, the auditor may waive the audit requirement upon the submission of a written request by the fire protection district in a form prescribed by the auditor. The auditor shall notify the fire protection district in writing of the approval or denial of a request for waiver. Upon approval of the request for waiver, a new five-year

audit period shall begin for the fire protection district if its expenditures are less than one hundred fifty thousand dollars per fiscal year in subsequent years; -

(7) To The Auditor of Public Accounts shall appoint two assistant deputies ~~(i)~~ (a) whose entire time shall be devoted to the service of the state as directed by the auditor, ~~(ii)~~ (b) who shall be certified public accountants with at least five years' experience, ~~(iii)~~ (c) who shall be selected without regard to party affiliation or to place of residence at the time of appointment, ~~(iv)~~ (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 ~~(v)~~ (e) who shall qualify by taking an oath which shall be filed in the office of the Secretary of State; and

~~(4) Conduct~~ (8) To 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 auditor may contract with any political subdivision to perform the audit of such political subdivision required by or provided for in section 23-1608 or 79-1229 or this section and charge the political subdivision for conducting the audit. The fees charged by the auditor for conducting audits on a contractual basis shall be in an amount sufficient to pay the cost of the audit. The fees remitted to the auditor for such audits and services shall be deposited in the Auditor of Public Accounts Cash Fund; and -

(9) To conduct all ~~All the~~ audits and examinations ~~conducted by the Auditor of Public Accounts shall be conducted~~ in a timely manner and in accordance with the standards for audits of governmental organizations, programs, activities, and functions published by the Comptroller General of the United States.

Sec. 2. Original section 84-304, Reissue Revised Statutes of Nebraska, is repealed.