

MAINE STATE LEGISLATURE

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(New Draft of S.P. 311, L.D. 925)

FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document

No. 1743

S.P. 611

In Senate, June 8, 1983

Reported by Senator Teague of Somerset from the Committee on Taxation and printed under Joint Rule 2.

Original bill presented by Senator McBreairty of Aroostook. Cosponsored by Representative Anderson of Stockholm and Representative Vose of Eastport.

JOY J. O'BRIEN, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-THREE

AN ACT Relating to the Financing of
Services in the Unorganized Territory.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §243, sub-§3-A is enacted to read:

3-A. Accounting systems for municipal cost component. To install uniform accounting systems and, no later than 90 days after the end of each fiscal year, perform an annual audit and postaudit of the municipal cost component and the Unorganized Territory Education and Services Fund in Title 36, chapter 115. The expenses of these services shall be part of the municipal cost component and shall be paid out of the Unorganized Territory Education and Services Fund;

1 Sec. 2. 36 MRSA §§1608 and 1609 are enacted to
2 read:

3 §1608. Financial report

4 The Bureau of the Budget shall, by September 1st
5 annually, publish a financial report of the status of
6 the Unorganized Territory Education and Services Fund
7 subject to the following provisions.

8 1. Record of financial transactions. It shall
9 contain a record of all financial transactions of the
10 fund during the preceding fiscal year, including an
11 itemized list of receipts and disbursements from the
12 fund. It shall also contain an itemized record show-
13 ing the sources of all revenue received by the fund
14 and showing all disbursements for each agency under
15 the municipal cost component by major items of
16 expense comparable with the approved budgetary
17 expenditure classifications under the captions of
18 personal services, contractual services, commodities,
19 debt service and capital expenditures.

20 2. Statement of assets, liabilities, reserves
21 and surplus. It shall contain an itemized statement
22 of the assets, liabilities, reserves and surpluses of
23 the fund under each municipal cost component.

24 3. Copies for distribution. Copies of the
25 report shall be given to each member of the Legis-
26 lature and to each county commissioner in each county
27 which contains unorganized territory. Copies shall be
28 made available in convenient locations for taxpayers
29 in the unorganized territory.

30 §1609. Audit of municipal cost component and the
31 Unorganized Territory Education and Services
32 Fund

33 The Unorganized Territory Education and Services
34 Fund and each account of the municipal cost component
35 shall be audited annually by the Department of Audit.
36 The audit shall cover the last entire fiscal year and
37 be completed no later than 90 days after the end of
38 each fiscal year. The expenses of these auditing ser-
39 vices shall be part of the municipal cost component
40 and shall be paid out of the Unorganized Territory

1 Education and Services Fund. The audit shall be per-
2 formed in accordance with generally accepted auditing
3 standards and procedures pertaining to governmental
4 accounting and shall include a management letter cov-
5 ering the audit of the operational aspects of the
6 fund, as well as suggestions which the auditor may
7 deem advisable for the proper administration of the
8 fund. The auditor shall produce the audit report on
9 the forms required by the accounting system estab-
10 lished by the Department of Audit in Title 5, section
11 243.

12 The audit shall include an accounting of
13 receipts, expenditures, disbursements, allocations,
14 apportionments and methods for calculating requests
15 for transfers from the fund covering each account of
16 the municipal cost component and the Unorganized Ter-
17 ritory Education and Services Fund. The audit shall
18 also include a review of the accounting procedure
19 used by agencies or governmental entities receiving
20 transfers from the fund to determine whether the
21 expenditures and transfers from the fund have been
22 used in compliance with laws of this State.

23 STATEMENT OF FACT

24 This new draft requires the Department of Audit
25 to install a uniform accounting system and perform an
26 audit of the municipal cost component.

27 4230060283