

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1946

6
7 S.P. 774

In Senate, January 30, 1986

8 Approved for introduction by a majority of the Legislative Council
9 pursuant to Joint Rule 26.

10 Reference to the Committee on Audit and Program Review suggested and
11 ordered printed.

JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Clark of Cumberland.

Cosponsored by Speaker Martin of Eagle Lake, Representative Murphy
12 of Kennebunk and Representative Rolde of York.

13 STATE OF MAINE

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SIX
16

17 AN ACT to Provide a Single Audit for
18 Community Action Agencies.
19

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

22 5 MRSA §1658 is enacted to read:

23 §1658. Single audit for community action agencies

24 1. Guidelines. All state agencies and depart-
25 ments which contract with community action agencies
26 designated in accordance with section 3519 shall pub-
27 lish guidelines outlining all requirements and com-
28 pliance issues which are subject to audit and shall
29 reference these requirements and compliance issues in
30 the body of the contract agreement.

31 2. Audit by certified public accountant. Any
32 state department or agency contracting with a commu-
33 nity action agency shall accept an audit performed by
34 a certified public accountant selected by the commu-

1 nity action agency. The audit shall be performed in
2 accordance with standards and criteria established in
3 the guidelines described in subsection 1.

4 STATEMENT OF FACT

5 Community action agencies providing a variety of
6 programs throughout the State continue to be hampered
7 in their operations by the requirements of multiple
8 State Government audits, oftentimes overlapping.
9 These audits impose burdensome costs and time re-
10 quirements upon community action agencies. This bill
11 requires each state contracting agency to publish au-
12 dit guidelines outlining all requirements and compli-
13 ance issues subject to audit and mandates a single
14 audit covering both financial and program compliance
15 issues. This single audit will save time and money
16 while providing audit reports which are more useful
17 and reliable.

18 Money currently being spent by the state agencies
19 and departments to perform audits may be passed
20 through to the agencies.

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