

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 606

S.P. 215

In Senate, February 11, 2003

An Act To Improve State Accounting Procedures

(EMERGENCY)

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DOUGLASS of Androscoggin.
Cosponsored by Representative FISCHER of Presque Isle and
Senators: CATHCART of Penobscot, EDMONDS of Cumberland, MARTIN of Aroostook,
ROTUNDO of Androscoggin, Representatives: CRAVEN of Lewiston, KANE of Saco,
SAMPSON of Auburn, THOMAS of Orono.

2 **Emergency preamble.** Whereas, Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4
6 **Whereas,** this legislation needs to take effect before the
expiration of the 90-day period in order to provide for timely
reporting to the Legislature after the end of fiscal year 2003;
8 and

10 **Whereas,** in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
12 Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health and
14 safety; now, therefore,

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

18 **Sec. 1. 5 MRSA §243-B** is enacted to read:

20 **§243-B. Additional duties**

22 The Department of Audit shall:

24 1. Report amount of cash on hand. Beginning July 31, 2003,
report annually to the Legislature the amount of cash on hand at
26 the end of each fiscal year for each department of State
Government;

28 2. Account for federal grants. Account for federal grants
30 at the end of each fiscal year to the Legislature and explain the
reimbursement of state officers for any items paid out of the
32 General Fund;

34 3. Revise accounting manual. Revise and update on a
regular basis the accounting manual maintained by the Department
36 of Audit;

38 4. Provide training. Provide training to appropriate
personnel across department lines to establish systemwide uniform
40 financial practices;

42 5. Require certain audits be performed by certified public
accountant. Require all audits performed by the Department of
44 Audit over \$1,000,000 to be performed by a certified public
accountant; and

46 6. Establish audit practice review board. Establish an
48 audit practice review board of volunteers from the private sector
to give advice to the State on best practices and accounting
50 updates.

2 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect when approved.
4

6 **SUMMARY**

8 This bill requires the Department of Audit to:

10 1. Beginning July 31, 2003, report annually to the
Legislature the amount of cash on hand at the end of each fiscal
12 year for each department of State Government;

14 2. Account for federal grants at the end of each fiscal
year to the Legislature and explain the reimbursement of state
16 officers for any items paid out of the General Fund;

18 3. Revise and update on a regular basis the accounting
manual maintained by the Department of Audit;
20

22 4. Provide training to appropriate personnel across
department lines to establish systemwide uniform financial
24 practices;

26 5. Require all audits performed by the Department of Audit
over \$1,000,000 to be performed by a certified public accountant;
and
28

30 6. Establish an audit practice review board of volunteers
from the private sector to give advice to the State on best
practices and accounting updates.
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