

ONE HUNDRED SEVENTH LEGISLATURE

SECOND SESSION

LEGISLATIVE RESOLUTION 405

Introduced by Stinner, 48.

PURPOSE: The purpose of this resolution is to propose an interim study to examine the operation of the statewide financial systems by the Accounting Administrator of the accounting division of the Department of Administrative Services and ensure that internal controls are properly implemented.

The accounting division operates and maintains statewide financial systems, preaudits agency transactions, issues the statewide Comprehensive Annual Financial Report and budgetary reports, coordinates the long-term financing needs of the State of Nebraska, and prepares the statewide cost allocation plan. The mission statement of the accounting division is, "To lead State agencies through our customer-oriented management and support of the financial management systems; to be mindful of our responsibility to the taxpayers; and to establish and follow a well-constructed plan to maximize our future endeavors."

The Department of Administrative Services has the duty to fulfill the mission statement of the accounting division and the obligation to conform with generally accepted accounting principles for state and local governments, which are established by the Governmental Accounting Standards Board.

This study shall include, but not be limited to, the following:

(1) Analysis of the accounting division's financial reports, including the Comprehensive Annual Financial Report and annual budgetary reports;

(2) Assessment of the Department of Administrative Services compliance with generally accepted accounting principles;

(3) Review of deficiencies identified by the Auditor of Public Accounts, including significant deficiencies and material weaknesses;

(4) Review of improvements resulting from corrective actions identified by

the Auditor of Public Accounts;

(5) Review of existing significant deficiencies and material weaknesses still exhibited by the Department of Administrative Services; and

(6) Recommendations for the improvement of internal controls to fulfill the accounting division's mission statement and comply with generally accepted accounting principles.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED SEVENTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.