

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

April 9, 1999

LB 432A, 432

a little strange for me to have to introduce this A bill because I don't think it's necessary. The Auditor's Office has put a 9,000 dollar price tag on the bill that is supposed to be reducing costs. Others have tried to speak to the office but have not...the Auditor has not supplied me with any...with any valid reason why this expenditure is necessary, other than to say they are understaffed. I don't know whether they are or not, but, to be honest, that has nothing to do with this bill. LB 432 places the responsibility for judging the individual agency or department's ability to perform the preaudits and approval to practice...to participate in the programs with the DAS, not with the Auditor's Office. The agencies already pay DAS for the oversight. To give additional money to the Auditor's Office is redundant and unnecessary. The bill also retains the responsibility of the DAS to review expenditures in all audit-sensitive areas, such as travel, airfare, lodging, and conferences. The State Auditor's professional conduct of audits and they conduct the audits and approaches to the auditing are governed by the general accepted auditing standards which are set by the American Institute of Public Accountants and the U.S. General Accounting Office. Those professional standards are not changed in any way by LB 432. Aside from the fact that the professional guidance is not changed as a result of this bill, auditing standards say that the focus of auditing should be in the amounts that are material. Amounts under LB 432, which would largely concern the routine purchase of goods and services, would not present such a risk to the Auditor. The assertion by the State Auditor that their oversight duty has been increased due to items in dollar amounts relating to the nonaudit-sensitive transactions between \$250 and \$1,500 in my opinion is not valid. I am going to vote red on this A bill and I would ask you do the same. LB 432 can be implemented without one. Thank you.

SPEAKER KRISTENSEN: Discussion? Senator Crosby.

SENATOR CROSBY: Thank you. I wanted to understand, Mr. Speaker and members, I wanted to understand correctly, Senator Janssen, who gave you the fiscal note?

SPEAKER KRISTENSEN: Senator Janssen, would you respond?