

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 935**

FINAL READING

Introduced by Schilz, 47.

Read first time January 12, 2016

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to state and local government; to amend  
2 sections 81-1118, 81-1174, 81-1175, 81-1176, 81-1180, 81-1348, and  
3 84-321, Reissue Revised Statutes of Nebraska, sections 13-513 and  
4 73-506, Revised Statutes Cumulative Supplement, 2014, and sections  
5 84-304 and 84-311, Revised Statutes Supplement, 2015; to change  
6 provisions relating to the Nebraska Budget Act; to provide for late  
7 fees and remedial fees; to change provisions relating to the  
8 duration of certain state agency contracts, procedures and rates for  
9 reimbursement for expenses incurred in the line of duty, and  
10 membership of the Suggestion Award Board; to authorize additional  
11 assistant deputies for and sharing of working papers by the Auditor  
12 of Public Accounts; to provide the rate of interest on and liability  
13 for certain delinquent payments; to harmonize provisions; and to  
14 repeal the original sections.  
15 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-513, Revised Statutes Cumulative Supplement,  
2 2014, is amended to read:

3 13-513 (1) The auditor shall, on or before August December 1 each  
4 year, request information from each governing body in a form prescribed  
5 by the auditor regarding (a 1) trade names, corporate names, or other  
6 business names under which the governing body operates and (b 2)  
7 agreements to which the governing body is a party under the Interlocal  
8 Cooperation Act and the Joint Public Agency Act. Each governing body  
9 shall provide such information to the auditor on or before September 20  
10 December 31.

11 (2) Information requested pursuant to this section that is not  
12 received by the auditor on or before September 20 shall be considered  
13 delinquent. The auditor shall notify the political subdivision by  
14 facsimile transmission, email, or first-class mail of such delinquency.  
15 Beginning on the day that such notification is sent, the auditor may  
16 assess the political subdivision a late fee of twenty dollars per day for  
17 each calendar day the requested information remains delinquent. The total  
18 late fee assessed to a political subdivision under this section shall not  
19 exceed two thousand dollars per delinquency.

20 (3) The auditor shall remit to the State Treasurer for credit to the  
21 Auditor of Public Accounts Cash Fund a remedial fee not to exceed one  
22 hundred dollars from any late fee received under this section. The  
23 auditor shall remit any late fee amount in excess of one hundred dollars  
24 received under this section to the State Treasurer to be distributed in  
25 accordance with Article VII, section 5, of the Constitution of Nebraska.

26 (4) If a political subdivision fails to provide the information  
27 requested under this section on or before September 20, the auditor may,  
28 at his or her discretion, audit such political subdivision. The expense  
29 of such audit shall be paid by the political subdivision.

30 Sec. 2. Section 73-506, Revised Statutes Cumulative Supplement,  
31 2014, is amended to read:

1           73-506 State agency contracts for services shall be subject to the  
2 following requirements:

3           (1) Payments shall be made when contractual deliverables are  
4 received or in accordance with specific contractual terms and conditions;

5           (2) State agencies shall not enter into contracts for services with  
6 an unspecified or unlimited duration, and no contract for services shall  
7 be amended to extend the duration of the contract for a period of more  
8 than fifty percent of the initial contract term. Following the adoption  
9 of any amendment to extend the contract for a period of fifty percent or  
10 less of the initial contract term, no further extensions of the original  
11 contract shall be permitted. This subdivision does not prohibit the  
12 exercise of any renewal option expressly provided in the original  
13 contract;

14           (3) State agencies shall not structure contracts for services to  
15 avoid any of the requirements of sections 73-501 to 73-510; and

16           (4) State agencies shall not enter into contracts for services in  
17 excess of fifteen million dollars unless the state agency has complied  
18 with section 73-510.

19           Sec. 3. Section 81-1118, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21           81-1118 The materiel division of the Department of Administrative  
22 Services is hereby established and shall be managed by the materiel  
23 administrator.

24           There are hereby established the following seven branches of the  
25 materiel division of the Department of Administrative Services which  
26 shall have the following duties, powers, and responsibilities:

27           (1) The office supplies bureau shall be responsible for providing  
28 office supplies, paper, and forms to using agencies;

29           (2) Central mail shall be responsible for all mailing operations,  
30 transportation of material, tracking shipments, and making freight  
31 claims;

1 (3) The print shop shall be responsible for specifications and for  
2 receiving bids and placing orders to the lowest and best commercial  
3 bidder for all printing and reproduction operations for the state. The  
4 print shop shall also be responsible for coordinating all existing  
5 printing and reproduction operations of the state;

6 (4) Copy services shall be responsible for the purchasing and  
7 placement of all copier requirements;

8 (5) The state purchasing bureau shall be responsible for all  
9 purchases by all state agencies other than the University of Nebraska.  
10 The materiel division shall administer the public notice and bidding  
11 procedures and any other areas designated by the Director of  
12 Administrative Services to carry out the lease or purchase of personal  
13 property. All purchases of and contracts for materials, supplies, or  
14 equipment and all leases of personal property shall be made in the  
15 following manner except in emergencies approved by the Governor:

16 (a) By a competitive formal sealed bidding process through the  
17 materiel division in all cases in which the purchases are of estimated  
18 value in the amount of twenty-five thousand dollars or more;

19 (b) By a competitive informal bidding through the materiel division  
20 in all cases in which the purchases are of estimated value equal to or  
21 exceeding ten thousand dollars but less than twenty-five thousand  
22 dollars;

23 (c) By unrestricted open market purchases through the materiel  
24 division in all cases in which purchases are of estimated value of less  
25 than ten thousand dollars;

26 (d) All requisitions for whatever purpose coming to the state  
27 purchasing bureau shall be in conformance with the approved budget of the  
28 requisitioning department or agency;~~and~~

29 (e) All contracts for purchases and leases shall be bid as a single  
30 whole item. In no case shall contracts be divided or fractionated in  
31 order to produce several contracts which are of an estimated value below

1 that required for competitive bidding; and

2 (f) No contract for purchase or lease shall be amended to extend the  
3 duration of the contract for a period of more than fifty percent of the  
4 initial contract term. Following the adoption of any amendment to extend  
5 the contract for a period of fifty percent or less of the initial  
6 contract term, no further extensions of the original contract shall be  
7 permitted. This subdivision (f) does not prohibit the exercise of any  
8 renewal option expressly provided in the original contract;

9 (6) The state recycling office shall be responsible for the  
10 administration and operation of the State Government Recycling Management  
11 Act; and

12 (7) State surplus property shall be responsible for the disposition  
13 of the state's surplus property and the maintenance of all inventory  
14 records.

15 Nothing in this section shall be construed to require that works of  
16 art must be procured through the materiel division.

17 Sec. 4. Section 81-1174, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 81-1174 Whenever any state officer, state employee, or member of any  
20 commission, council, committee, or board of the state is seeking  
21 reimbursement for ~~actual~~ expenses incurred by him or her in the line of  
22 duty, he or she shall be required to present a request for payment or  
23 reimbursement to the Director of Administrative Services not later than  
24 sixty days after the final day on which expenses were incurred for which  
25 reimbursement is sought. Each request for reimbursement of meals, travel,  
26 and lodging shall be made pursuant to the federal General Services  
27 Administration per diem and mileage reimbursement rates and shall include  
28 shall be fully itemized, including the amount, date, place, and essential  
29 character of the expense incurred.

30 When reimbursement is requested for ~~mileage by~~ automobile travel,  
31 air travel by commercial carrier, air travel in airplanes chartered by

1 the department or agency, or air travel by personally rented airplane,  
2 the points between which such travel occurred, the times of arrival and  
3 departure, and the necessity and purpose of such travel shall be stated  
4 on such request. When reimbursement is requested for mileage by  
5 automobile, ~~the motor vehicle license plate number,~~ the total miles  
6 traveled, ~~and the rate per mile being requested~~ shall also be shown on  
7 each request.

8 The Accounting Administrator may require less supporting detail for  
9 requests covered in this section but shall not impose reporting  
10 requirements which exceed those listed unless specifically authorized by  
11 other provisions of law. No request shall be submitted by an individual  
12 for an expense when such expense has been paid by the agency or  
13 department concerned.

14 When reimbursement for expenses incurred in air travel by privately  
15 owned airplane is requested, the cost of operating the airplane at rates  
16 per mile as established by the Department of Administrative Services  
17 shall be shown on such request. Travel by privately owned airplane or  
18 personally rented airplane shall only be authorized when it is more  
19 economical than surface transportation or will result in a substantial  
20 savings of expense or productive time.

21 The statement of expenses shall be duly verified ~~and supported by~~  
22 ~~receipts for all of such expenditures, except immaterial items identified~~  
23 ~~by the director,~~ for which reimbursement is requested.

24 No reimbursement charge for mileage shall be allowed when such  
25 mileage accrues while using an automobile owned by the State of Nebraska.

26 No personal maintenance expenses shall be allowed to any state  
27 officer, state employee, or member of any commission, council, committee,  
28 or board of the state when such expenses are incurred in the city or town  
29 in which the residence or primary work location of such individual is  
30 located, except that individuals required to attend official functions,  
31 conferences, or hearings within such location, not to include normal day-

1 to-day operations of the department, agency, commission, council,  
2 committee, or board, may be paid or reimbursed in accordance with  
3 policies established by the Director of Administrative Services. The  
4 approval to attend a function, conference, or hearing shall be obtained  
5 from the director of the department, agency, commission, council,  
6 committee, or board prior to an individual's attendance at such function,  
7 conference, or hearing.

8 Nothing in this section shall be construed to prohibit the  
9 furnishing of coffee, tea, and any similar beverage by the Legislature or  
10 the Legislative Council to its employees or guests.

11 Sec. 5. Section 81-1175, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 81-1175 In examining the ~~vouchers, bills, and~~ requests for payment  
14 or reimbursement as provided for in section 81-1174, no such ~~voucher,~~  
15 ~~bill, or~~ request for travel expenses shall be approved unless written  
16 authorization for the same has been given by the (1) director, deputy  
17 director, or other titular head of the several state administrative  
18 departments, (2) elective or appointive state officer, (3) chairperson of  
19 a state commission, council, committee, or board, or (4) titular head or  
20 proper disbursing officer of any other state expending agency, including  
21 the University of Nebraska, state colleges, and state institutions,  
22 before such traveling expenses are incurred, except that such prior  
23 authority need not be obtained by peace officers of the State of  
24 Nebraska.

25 Sec. 6. Section 81-1176, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 81-1176 (1) If a trip or trips included in a request for payment or  
28 reimbursement filed under sections 81-1174 and 81-1175 are made by  
29 personal automobile or otherwise, only one ~~mileage~~ request shall be  
30 allowed for each mile actually and necessarily traveled in each calendar  
31 month by the most direct route regardless of the fact that one or more

1 persons are transported in the same motor vehicle. Reimbursement on such  
2 requests shall be computed based on the rate established by the federal  
3 General Services Administration ~~Department of Administrative Services.~~  
4 ~~The department may establish different rates based on whether the~~  
5 ~~personal automobile usage is at the convenience of the agency involved or~~  
6 ~~at the convenience of the state officer or employee, as previously agreed~~  
7 ~~upon by the officer or employee and the agency involved.~~ Funds expended  
8 for parking may be requested in addition to mileage.

9 (2) The payment of mileage shall be limited to the ~~actual~~ cost of  
10 travel at the rates established in subsection (1) of this section or the  
11 cost of commercial transportation, whichever is less. Savings of  
12 productive time shall be taken into consideration when making the  
13 comparison. No additional rate of mileage shall be allowed to state  
14 inspectors or others who carry state equipment by motor vehicle  
15 regardless of the weight thereof.

16 (3) Any future adjustments made to the reimbursement rate provided  
17 in subsection (1) of this section shall be deemed to apply to all  
18 provisions of law which refer to this section for the computation of  
19 mileage.

20 Sec. 7. Section 81-1180, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 81-1180 Any member of any state commission, council, committee, or  
23 board who is not entitled to reimbursement under the provisions of  
24 section 81-1178 or 81-1179 shall be entitled to be reimbursed for his or  
25 her ~~necessary and actual~~ expenses as provided in sections 81-1174 to  
26 81-1177 if an appropriation is made for such purpose and if the  
27 reimbursement is approved by the Governor or, in cases in which the  
28 commission, council, committee, or board has been created to assist the  
29 Legislature in the performance of its duties, by the Executive Board of  
30 the Legislative Council.

31 Sec. 8. Section 81-1348, Reissue Revised Statutes of Nebraska, is



1 amended to read:

2 81-1348 There is hereby created the Suggestion Award Board. The  
3 membership of such board shall consist of the Director of Personnel, the  
4 Director of Administrative Services, the Auditor of Public Accounts or  
5 his or her designee, and three persons, each to serve a term of three  
6 years, selected and appointed by the Governor from the bargaining units  
7 listed in section 81-1373, except that the first three appointments made  
8 after February 23, 2000, shall be for terms of one year, two years, and  
9 three years, as designated by the Governor. Of the persons selected from  
10 such bargaining units, one person shall be selected from each of such  
11 bargaining units as follows:

12 (1) The first term from the bargaining units listed in subdivisions  
13 (1)(a), (b), and (l) of such section;

14 (2) The second term from the bargaining units listed in subdivisions  
15 (1)(c), (d), and (g) of such section;

16 (3) The third term from the bargaining units listed in subdivisions  
17 (1)(e), (f), and (h) of such section; and

18 (4) The fourth term from the bargaining units listed in subdivisions  
19 (1)(i), (j), and (k) of such section.

20 After the fourth term, the appointments shall be made starting from  
21 subdivision (1) of this section and following the same sequence.

22 Whenever a vacancy occurs on the board for any reason, the Governor  
23 shall appoint an individual to fill such vacancy from the same bargaining  
24 unit in which the vacancy exists.

25 The members shall be reimbursed for their actual and necessary  
26 expenses as provided in sections 81-1174 to 81-1177.

27 The board shall adopt and promulgate rules and regulations to aid in  
28 carrying out sections 81-1350 and 81-1351.

29 Sec. 9. Section 84-304, Revised Statutes Supplement, 2015, is  
30 amended to read:

31 84-304 It shall be the duty of the Auditor of Public Accounts:

1 (1) To give information electronically to the Legislature, whenever  
2 required, upon any subject relating to the fiscal affairs of the state or  
3 with regard to any duty of his or her office;

4 (2) To furnish offices for himself or herself and all fuel, lights,  
5 books, blanks, forms, paper, and stationery required for the proper  
6 discharge of the duties of his or her office;

7 (3) To examine or cause to be examined, at such time as he or she  
8 shall determine, books, accounts, vouchers, records, and expenditures of  
9 all state officers, state bureaus, state boards, state commissioners, the  
10 state library, societies and associations supported by the state, state  
11 institutions, state colleges, and the University of Nebraska, except when  
12 required to be performed by other officers or persons. Such examinations  
13 shall be done in accordance with generally accepted government auditing  
14 standards for financial audits and attestation engagements set forth in  
15 Government Auditing Standards (2011 Revision), published by the  
16 Comptroller General of the United States, Government Accountability  
17 Office, and except as provided in subdivision (11) of this section,  
18 subdivision (16) of section 50-1205, and section 84-322, shall not  
19 include performance audits, whether conducted pursuant to attestation  
20 engagements or performance audit standards as set forth in Government  
21 Auditing Standards (2011 Revision), published by the Comptroller General  
22 of the United States, Government Accountability Office;

23 (4)(a) To examine or cause to be examined, at the expense of the  
24 political subdivision, when the Auditor of Public Accounts determines  
25 such examination necessary or when requested by the political  
26 subdivision, the books, accounts, vouchers, records, and expenditures of  
27 any agricultural association formed under Chapter 2, article 20, any  
28 county agricultural society, any joint airport authority formed under the  
29 Joint Airport Authorities Act, any city or county airport authority, any  
30 bridge commission created pursuant to section 39-868, any cemetery  
31 district, any community redevelopment authority or limited community

1 redevelopment authority established under the Community Development Law,  
2 any development district, any drainage district, any health district, any  
3 local public health department as defined in section 71-1626, any  
4 historical society, any hospital authority or district, any county  
5 hospital, any housing agency as defined in section 71-1575, any  
6 irrigation district, any county or municipal library, any community  
7 mental health center, any railroad transportation safety district, any  
8 rural water district, any township, Wyuka Cemetery, the Educational  
9 Service Unit Coordinating Council, any entity created pursuant to the  
10 Interlocal Cooperation Act, any educational service unit, any village,  
11 any service contractor or subrecipient of state or federal funds, any  
12 political subdivision with the authority to levy a property tax or a  
13 toll, or any entity created pursuant to the Joint Public Agency Act.

14 For purposes of this subdivision, service contractor or subrecipient  
15 means any nonprofit entity that expends state or federal funds to carry  
16 out a state or federal program or function, but it does not include an  
17 individual who is a direct beneficiary of such a program or function or a  
18 licensed health care provider or facility receiving direct payment for  
19 medical services provided for a specific individual.

20 (b) The Auditor of Public Accounts may waive the audit requirement  
21 of subdivision (4)(a) of this section upon the submission by the  
22 political subdivision of a written request in a form prescribed by the  
23 auditor. The auditor shall notify the political subdivision in writing of  
24 the approval or denial of the request for a waiver.

25 (c) The Auditor of Public Accounts may conduct audits under this  
26 subdivision for purposes of sections 2-3228, 12-101, 13-2402, 14-567,  
27 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 19-3501, 23-1118,  
28 23-3526, and 71-1631.02;

29 (5) To report promptly to the Governor and the appropriate standing  
30 committee of the Legislature the fiscal condition shown by such  
31 examinations conducted by the auditor, including any irregularities or

1 misconduct of officers or employees, any misappropriation or misuse of  
2 public funds or property, and any improper system or method of  
3 bookkeeping or condition of accounts. The report submitted to the  
4 committee shall be submitted electronically. In addition, if, in the  
5 normal course of conducting an audit in accordance with subdivision (3)  
6 of this section, the auditor discovers any potential problems related to  
7 the effectiveness, efficiency, or performance of state programs, he or  
8 she shall immediately report them electronically to the Legislative  
9 Performance Audit Committee which may investigate the issue further,  
10 report it electronically to the appropriate standing committee of the  
11 Legislature, or both;

12 (6)(a) To examine or cause to be examined the books, accounts,  
13 vouchers, records, and expenditures of a fire protection district. The  
14 expense of the examination shall be paid by the political subdivision.

15 (b) Whenever the expenditures of a fire protection district are one  
16 hundred fifty thousand dollars or less per fiscal year, the fire  
17 protection district shall be audited no more than once every five years  
18 except as directed by the board of directors of the fire protection  
19 district or unless the auditor receives a verifiable report from a third  
20 party indicating any irregularities or misconduct of officers or  
21 employees of the fire protection district, any misappropriation or misuse  
22 of public funds or property, or any improper system or method of  
23 bookkeeping or condition of accounts of the fire protection district. In  
24 the absence of such a report, the auditor may waive the five-year audit  
25 requirement upon the submission of a written request by the fire  
26 protection district in a form prescribed by the auditor. The auditor  
27 shall notify the fire protection district in writing of the approval or  
28 denial of a request for waiver of the five-year audit requirement. Upon  
29 approval of the request for waiver of the five-year audit requirement, a  
30 new five-year audit period shall begin.

31 (c) Whenever the expenditures of a fire protection district exceed

1 one hundred fifty thousand dollars in a fiscal year, the auditor may  
2 waive the audit requirement upon the submission of a written request by  
3 the fire protection district in a form prescribed by the auditor. The  
4 auditor shall notify the fire protection district in writing of the  
5 approval or denial of a request for waiver. Upon approval of the request  
6 for waiver, a new five-year audit period shall begin for the fire  
7 protection district if its expenditures are one hundred fifty thousand  
8 dollars or less per fiscal year in subsequent years;

9 (7) To appoint two or more assistant deputies (a) whose entire time  
10 shall be devoted to the service of the state as directed by the auditor,  
11 (b) who shall be certified public accountants with at least five years'  
12 experience, (c) who shall be selected without regard to party affiliation  
13 or to place of residence at the time of appointment, (d) who shall  
14 promptly report ~~in duplicate~~ to the auditor the fiscal condition shown by  
15 each examination, including any irregularities or misconduct of officers  
16 or employees, any misappropriation or misuse of public funds or property,  
17 and any improper system or method of bookkeeping or condition of  
18 accounts, and it shall be the duty of the auditor to file promptly with  
19 the Governor a duplicate of such report, and (e) who shall qualify by  
20 taking an oath which shall be filed in the office of the Secretary of  
21 State;

22 (8) To conduct audits and related activities for state agencies,  
23 political subdivisions of this state, or grantees of federal funds  
24 disbursed by a receiving agency on a contractual or other basis for  
25 reimbursement to assure proper accounting by all such agencies, political  
26 subdivisions, and grantees for funds appropriated by the Legislature and  
27 federal funds disbursed by any receiving agency. The auditor may contract  
28 with any political subdivision to perform the audit of such political  
29 subdivision required by or provided for in section 23-1608 or 79-1229 or  
30 this section and charge the political subdivision for conducting the  
31 audit. The fees charged by the auditor for conducting audits on a

1 contractual basis shall be in an amount sufficient to pay the cost of the  
2 audit. The fees remitted to the auditor for such audits and services  
3 shall be deposited in the Auditor of Public Accounts Cash Fund;

4 (9) To conduct all audits and examinations in a timely manner and in  
5 accordance with the standards for audits of governmental organizations,  
6 programs, activities, and functions published by the Comptroller General  
7 of the United States;

8 (10) To develop and maintain an annual budget and actual financial  
9 information reporting system for political subdivisions that is  
10 accessible online by the public;~~and~~

11 (11) When authorized, to conduct joint audits with the Legislative  
12 Performance Audit Committee as described in section 50-1205; ~~and -~~

13 (12) Unless otherwise specifically provided, to assess the interest  
14 rate on delinquent payments of any fees for audits and services owing to  
15 the Auditor of Public Accounts at a rate of fourteen percent per annum  
16 from the date of billing unless paid within thirty days from the date of  
17 billing. For an entity created pursuant to the Interlocal Cooperation Act  
18 or the Joint Public Agency Act, any participating public agencies shall  
19 be jointly and severally liable for the fees and interest owed if such  
20 entity is defunct or unable to pay.

21 Sec. 10. Section 84-311, Revised Statutes Supplement, 2015, is  
22 amended to read:

23 84-311 (1)(a) All final audit reports issued by the Auditor of  
24 Public Accounts shall be maintained permanently as a public record in the  
25 office of the Auditor of Public Accounts.

26 (b) Working papers and other audit files maintained by the Auditor  
27 of Public Accounts are not public records and are exempt from sections  
28 84-712 to 84-712.05. The information contained in working papers and  
29 audit files prepared pursuant to a specific audit is not subject to  
30 disclosure except to a county attorney or the Attorney General in  
31 connection with an investigation made or action taken in the course of

1 the attorney's official duties or to the Legislative Performance Audit  
2 Committee in the course of the committee's official duties and pursuant  
3 to the requirements of subdivision (16) of section 50-1205 or subdivision  
4 (5) of section 84-304.

5 (c) A public entity being audited and any federal agency that has  
6 made a grant to such public entity shall also have access to the relevant  
7 working papers and audit files, except that such access shall not include  
8 information that would disclose or otherwise indicate the identity of any  
9 individual who has confidentially provided the Auditor of Public Accounts  
10 with allegations of wrongdoing regarding, or other information pertaining  
11 to, the public entity being audited.

12 (d) The Auditor of Public Accounts may, at his or her discretion,  
13 share working papers, other than personal information and telephone  
14 records, with the Legislative Council. The Auditor of Public Accounts  
15 may, at his or her discretion, share working papers with the Internal  
16 Revenue Service, the Tax Commissioner, the Federal Bureau of  
17 Investigation, a law enforcement agency as defined in section 28-359, and  
18 the Nebraska Accountability and Disclosure Commission. The working papers  
19 may be shared with such entities during an ongoing audit or after the  
20 final audit report is issued.

21 (e) For purposes of this subsection, working papers means those  
22 documents containing evidence to support the auditor's findings,  
23 opinions, conclusions, and judgments and includes the collection of  
24 evidence prepared or obtained by the auditor during the audit.

25 (f) The Auditor of Public Accounts may make the working papers  
26 available for purposes of an external quality control review as required  
27 by generally accepted government auditing standards. However, any reports  
28 made from such external quality control review shall not make public any  
29 information which would be considered confidential under this section  
30 when in the possession of the Auditor of Public Accounts.

31 (2) If the Auditor of Public Accounts or any employee of the Auditor

1 of Public Accounts knowingly divulges or makes known in any manner not  
2 permitted by law any record, document, or information, the disclosure of  
3 which is restricted by law, he or she is subject to the same penalties  
4 provided in section 84-712.09.

5 Sec. 11. Section 84-321, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7 84-321 There is hereby created in the office of the Auditor of  
8 Public Accounts a cash fund to be known as the Auditor of Public Accounts  
9 Cash Fund. The fund shall be used for payment for services performed by  
10 the Auditor of Public Accounts for state agencies, political  
11 subdivisions, and grantees of federal funds disbursed by a receiving  
12 agency for which he or she is entitled to reimbursement on a contractual  
13 or other basis for such reimbursement. Any remedial fees withheld by the  
14 State Treasurer pursuant to section 13-513 shall be credited to the fund.

15 Sec. 12. Original sections 81-1118, 81-1174, 81-1175, 81-1176,  
16 81-1180, 81-1348, and 84-321, Reissue Revised Statutes of Nebraska,  
17 sections 13-513 and 73-506, Revised Statutes Cumulative Supplement, 2014,  
18 and sections 84-304 and 84-311, Revised Statutes Supplement, 2015, are  
19 repealed.