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March 11, 2004 LB 819, 1118

Mr. President.

SENATOR CUDABACK: LB 819 advances. Next LB is LB 1118.
Mr. Clerk.

ASSISTANT CLERK: Mr. President, LB 1118 was offered by the Performance Audit Committee. (Read title.) The bill was read for the first time on January 16, referred to the Government, Military and Veterans Affairs Committee. That committee reports the bill to General File with committee amendments. (AM2494, Legislative Journal page 582.)

SENATOR CUDABACK: Thank you. Senator Beutler, Chairman of that committee, you're recognized to open on LB 1118.

SENATOR BEUTLER: Senator Cudaback, this bill is at the suggestion of the committee as a whole. The simple part of the bill is that it's simply updating our standards to reference the new Government Auditing Standards 2003 version. That part of it is very simple. The 2003 version of the updated auditing standards, Government Auditing Standards, complicated our problem a little bit though, in the sense that the old standards talked about financial audits on the one hand and performance audits on the other, so there were just two categories. But when the new auditing standards came out there were not just two categories, not just financial audits and performance audits. And remember that the Auditor of Public Accounts does our financial audits, the Legislature does our performance audits. But in these new standards there were not just two clear-cut categories. There was a third category, and that category was called an attestation engagement. And so you're going to ask me, what's an attestation engagement? And I'm going to read you the definition of it, which I think will probably be neither here nor there to you, except to note the last sentence of it. Attestation engagements concerning examining, reviewing, or performing agreed-upon procedures on a subject matter or an assertion about a subject matter and reporting on the results. The subject matter of an attestation agreement...engagement can take many forms, including historical or prospective performance or condition, physical characteristics, historical events, analyses, systems and processes, or behavior. Now here's the