

SENATE BILL REPORT

SSB 5606

AS PASSED SENATE, MARCH 13, 1993

Brief Description: Directing the state auditor to scrutinize funds and accounts under the control of state agencies.

SPONSORS: Senate Committee on Ways & Means (originally sponsored by Senators Prince, Vognild, Cantu, Fraser, Newhouse, Prentice, McAuliffe, Sutherland, Moore and Winsley)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5606 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rinehart, Chairman; Spanel, Vice Chairman; Anderson, Bluechel, Cantu, Gaspard, Hargrove, Hochstatter, Jesernig, McDonald, Moyer, Niemi, Pelz, Quigley, Roach, L. Smith, Snyder, Sutherland, Talmadge, West, Williams, and Wojahn.

Staff: Steve Jones (786-7440)

Hearing Dates: March 8, 1993

HOUSE COMMITTEE ON STATE GOVERNMENT

BACKGROUND:

A revolving fund is a type of dedicated account established to pay the cost of goods or services furnished by a state agency. The fund is typically replenished by charges made for the goods or services.

Most state funds and accounts are managed by the State Treasurer. Funds and accounts that are located outside of the State Treasurer's Office are known as local accounts; these accounts are managed directly by the state agency or political subdivision that established the account.

The State Auditor conducts annual financial audits of all units of state and local government.

SUMMARY:

The State Auditor is directed to inventory all revolving funds, local funds, and other funds outside the State Treasury and managed by state agencies and political subdivisions. The Auditor examines accounting methods, record keeping practices, and expenditures, and reports biennially to the Legislature on the status of these accounts and recommendations for management improvements.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR: None

TESTIMONY AGAINST: None

TESTIFIED: No one

HOUSE AMENDMENT(S):

As part of the routine audits of state agencies, the State Auditor is directed to audit and report to the Legislature on local and revolving funds managed by state agencies. Funds and accounts managed by local governments are excluded.