

STAND. COM. REP. NO.

2617

Honolulu, Hawaii

FEB 26 2010

RE: S.B. No. 2115
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2115 entitled:

"A BILL FOR AN ACT RELATING TO PREAUDITS FOR PROPOSED PAYMENTS,"

begs leave to report as follows:

The purpose of this measure is to clarify preaudit procedures for the University of Hawaii and the Department of Education.

Specifically, this measure:

- (1) Requires the Department of Education to preaudit all proposed payments of \$10,000 or more;
- (2) Requires the University of Hawaii and the Department of Education to preaudit sample populations of proposed payments of less than \$10,000; and
- (3) Extends the date that allows the University of Hawaii and the Department of Education to have autonomous authority over their accounting systems and other purchasing responsibilities and duties.

Your Committee finds that this measure grants the University of Hawaii and the Department of Education more time to exercise complete supervision of all their respective accounts before that supervision returns to the Comptroller. Furthermore, this measure allows the Department of Education to preaudit only sample



populations, and not all proposed payments, of less than \$10,000, while still requiring the Department to preaudit all proposed payments of \$10,000 or more.

Your Committee has amended this measure by:

- (1) Establishing an unspecified percentage of the population as the minimum required sample size for the preaudits of sample populations of proposed payments of less than \$10,000;
- (2) Changing the effective date to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2115, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2115, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.5em; font-family: cursive;">SB 2115</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">EDH/HRE, WAM</div>	Date: <div style="font-size: 1.5em; font-family: cursive;">2.24.10</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div><input type="checkbox"/> Pass, unamended 2312</div> <div><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div><input type="checkbox"/> Hold 2310</div> <div><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton	/			
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
TOTAL	11	0	6	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;"> </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

***Only one measure per Record of Votes**