

SENATE, No. 260

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

SYNOPSIS

Establishes New Jersey General Accounting Office.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** establishing a New Jersey General Accounting Office and
2 supplementing chapter 24 of Title 52 of the Revised Statutes.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. There is established a New Jersey General Accounting
8 Office under the supervision of the State Auditor. The General
9 Accounting Office shall have the following powers and duties:

10 a. Make performance reviews and program analyses of
11 operations of State agencies to ascertain that sums appropriated
12 have been, or are being expended for the purposes for which such
13 appropriations were made, determine if waste or mismanagement of
14 funds or fraud in the receipt, expenditure or accounting of funds has
15 occurred, and evaluate the effectiveness of programs in
16 accomplishing legislative intent;

17 b. Study on a continuing basis the operations, practices and
18 duties of State agencies, as they relate to efficiency in the utilization
19 of space, personnel, equipment and facilities;

20 c. Make such special studies and reports of the operations and
21 functions of State agencies as it deems appropriate and as may be
22 requested by the Legislature;

23 d. Make such reports on its findings and recommendations at
24 such time and in such manner as the office deems proper submitting
25 same to the agencies concerned, to the Governor, the Legislature
26 and the public. Such reports as are submitted shall relate to the
27 following matters:

28 (1) Ways in which the agencies may operate more economically
29 and efficiently;

30 (2) Ways in which agencies can provide better services to the
31 State of New Jersey and to its citizens; and

32 (3) Areas in which functions of State agencies are duplicative,
33 overlapping, or failing to accomplish legislative objectives or for
34 any other reason should be redefined or redistributed.

35 e. Any member or committee of the Legislature may at any
36 time request in writing that the office undertake a performance
37 review, program analysis or special study of a State agency or
38 program. The office shall establish priorities and schedule which
39 reviews, analyses and studies will be made in order to assure the
40 orderly conduct of the business of the office and its professional
41 staff.

42

43 2. The General Accounting Office shall prepare supplementary
44 studies and reports of the program reviews and evaluations in the
45 following manner:

46 a. At least once in each biennium and at such other times as the
47 office deems necessary, a report shall be made to the Legislature
48 which includes: (1) annotations of reports previously issued; (2) a

1 summary of significant actions taken by executive agencies in
2 response to reports and recommendations previously issued; and (3)
3 matters pertaining to the report topics that may require additional
4 legislative attention and consideration.

5 b. From time to time, agencies involved in matters which have
6 been studied under the provisions of this act may be required to
7 communicate to the office at a hearing called for such purpose or in
8 writing, the status of actions completed or being taken in response
9 to reports and recommendations previously issued.

10 c. In the event a report of the office cites waste, extravagance,
11 unauthorized activities, or other significant deficiencies which
12 result in the misuse of public funds, a supplementary report shall be
13 made at such time as the office deems appropriate, which provides
14 the Legislature with: (1) a review of the problem; (2)
15 recommendations to correct the problem; (3) actions taken or
16 planned by the agency to correct the problem; and (4) such other
17 matters as may require additional legislative attention to correct the
18 problem. Supplementary reports published by the office shall be
19 issued to the Governor, agencies concerned, the members of the
20 Legislature and the public.

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22 3. a. The General Accounting Office shall establish a schedule
23 for the review of functional areas of State government. A
24 functional area shall consist of a grouping of interrelated State
25 governmental activities, programs and agencies, and may involve
26 any agency, authority, political subdivision, board, department,
27 division, commission, institution, bureau or similar governmental
28 entity of the State, and any entity, public or private, with which any
29 of the foregoing has entered into a contractual relationship to
30 accomplish a governmental purpose or which has received financial
31 assistance from any of the foregoing.

32 b. The office shall schedule the functional areas of State
33 government for review and evaluation on a seven-year cycle,
34 beginning in the first full calendar year following the effective date
35 of this act.

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37 4. a. Prior to the year in which a functional area of government
38 is designated to be scheduled for review, the General Accounting
39 Office shall identify to the extent feasible the agencies, programs or
40 activities selected for review and evaluation from the functional
41 area.

42 b. To ensure coordination of the review and evaluation activity
43 with appropriate committees, the office may invite General
44 Assembly and Senate standing reference committees to participate
45 in designing such studies as will be carried out from the scheduled
46 functional areas.

47

48 5. a. Each study carried out pursuant to this act shall consider,

1 as required: that there is a valid public need for the program or
2 agency; that legislative intent is being carried out; that program and
3 agency performance has been in the public interest; that program
4 objectives have been defined; that intended program outcomes are
5 measurable and have been accomplished; that program and agency
6 operations are managed efficiently, economically, and effectively;
7 or such other specific criteria as the office deems necessary and
8 desirable.

9 b. Agency self-studies may be required in such form and
10 manner as may be directed by the office.

11
12 6. For the purpose of carrying out its duties under this act and
13 notwithstanding any contrary provision of law, the General
14 Accounting Office shall have access to the records and facilities of
15 every entity whose operations are financed in whole or in part by
16 State funds to the extent that such records and facilities are related
17 to the expenditure of such funds. All State entities shall cooperate
18 with the office and, when requested, shall provide specific
19 information in the form requested.

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21 7. The General Accounting Office shall publish and submit its
22 reports with appropriate findings and recommendations to the
23 Governor and members of the Legislature and shall make them
24 available to the public.

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26 8. All State agencies, their staff and employees shall provide
27 the General Accounting Office with necessary information for the
28 performance of its duties, and to afford the office's staff ample
29 opportunity to observe agency operations.

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31 9. The General Accounting Office may associate with such
32 outside experts as it may deem necessary to advise it with respect to
33 what public or private business practices can be adopted to achieve
34 greater economies and more efficient service.

35 36 37 STATEMENT

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39 This bill establishes a New Jersey General Accounting Office
40 under the supervision of the State Auditor. The General
41 Accounting Office will make performance reviews and program
42 analyses of operations of State agencies and conduct studies and
43 issue reports on the effectiveness of State agencies and programs.
44 The office will also review each of the various functional areas of
45 State government over a seven-year period.