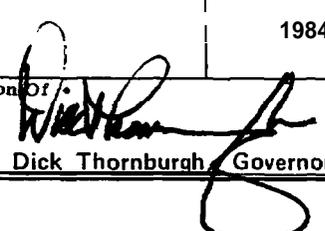


Commonwealth of Pennsylvania  
GOVERNOR'S OFFICE  
EXECUTIVE ORDER

Subject		Accounting and Financial Reporting		Number	1984-3
Date	Distribution	By Direction Of		 Dick Thornburgh, Governor	
October 11, 1984	B				

WHEREAS, a primary objective of this Administration is to provide reliable financial information to the public and to legislative and policymaking bodies, government managers, and the financial community; and

WHEREAS, maintaining public confidence in the Government of the Commonwealth of Pennsylvania is important to this Administration; and

WHEREAS, generally accepted accounting principles (GAAP) constitute nationally recognized uniform minimum standards for accounting and reporting that will:

(1) reliably demonstrate the extent to which the Commonwealth is able to operate within the constraints of its available resources;

(2) more accurately measure the cost-benefit of services provided and hold agency and program managers more properly accountable for operations and resource allocations;

(3) provide a common bench mark or criterion for measuring the results of Commonwealth operations; and

(4) permit the financial community to informatively assess the financial condition of the Commonwealth.

NOW, THEREFORE, I, Dick Thornburgh, Governor of the Commonwealth of Pennsylvania, by virtue of the authority vested in me by the Constitution of the Commonwealth of Pennsylvania and other laws do hereby order the adoption of accounting and financial reporting policies and procedures, in conformance with GAAP applicable to governments, within the administrative departments, boards, and commissions subject to Section 701 (d) of The Administrative Code of 1929.

1. The Secretary of the Budget shall be responsible for:

a. Developing and installing accounting and financial reporting systems that will be in adherence with GAAP and that will:

(1) Demonstrate compliance with all legal requirements and contractual obligations.

(2) Provide for adequate and proper stewardship over Commonwealth resources, property, and other assets.

(3) Provide appropriate and complete information for budgetary control.

b. Publishing an audited Comprehensive Annual Financial Report of the Commonwealth of Pennsylvania, based on criteria developed by the National Council on Governmental Accounting in their Statement 3, Defining the Governmental Reporting Entry, and adopted by the Governmental Accounting Standards Board or successor.

2. The heads of independent departments, boards, and commissions and the governing bodies of quasi-governmental agencies included in the reporting entry are urged to effect GAAP policies and procedures and to extend their cooperation to the Secretary of the Budget in compiling data necessary to the preparation of the annual report.