

**State Auditor
Budget 117
House Bill No. 1004**

	FTE Positions	General Fund	Other Funds	Total
2009-11 legislative appropriation	51.80	\$6,762,229 ¹	\$2,312,802	\$9,075,031
2007-09 legislative appropriation	<u>54.80</u>	<u>5,714,677</u>	<u>2,610,202</u>	<u>8,324,879</u>
2009-11 appropriation increase (decrease) to 2007-09 appropriation	(3.00)	\$1,047,552	(\$297,400)	\$750,152

¹This amount includes \$150,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$6,612,229.

NOTE: The 2009-11 legislative appropriation amounts include \$100,000 from the general fund for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Item Description

Salary equity adjustments - The State Auditor received an allocation of \$100,000 from the general fund for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Electronic working papers - The Legislative Assembly identified \$150,000 from the general fund for the implementation of electronic working papers as one-time funding, of which \$100,000 is for capital assets and \$50,000 is for operating expenses.

Audits of political subdivisions - House Bill No. 1129 (2009) increased the population threshold for cities required to be audited and provided for a Legislative Management study of the structure and requirements of the State Auditor's office necessary to carry out its auditing of political subdivisions as required by law, including how these audits should be adequately self-funded.

Status/Result

The State Auditor provided salary equity adjustments to 25 staff positions. The salary equity adjustments, which ranged from \$90 to \$300 per month, were in addition to the 5 percent salary increase for state employees effective July 1, 2009. In addition, the agency increased the starting monthly salary of an auditor from \$2,850 to \$3,000 effective January 2010. This increase will require an increase in the agency's general fund appropriation for the 2011-13 biennium.

The State Auditor received Emergency Commission approval in December 2009 for a line item transfer of \$24,000 from the operating expenses line item to the capital assets line item for increased cost related to the purchase of the electronic working papers software. The State Auditor implemented the electronic working papers software in April 2010.

The increased population threshold removed the audit requirement for approximately 30 cities leaving approximately 100 cities to be audited. The Legislative Management study has been assigned to the Legislative Audit and Fiscal Review Committee.