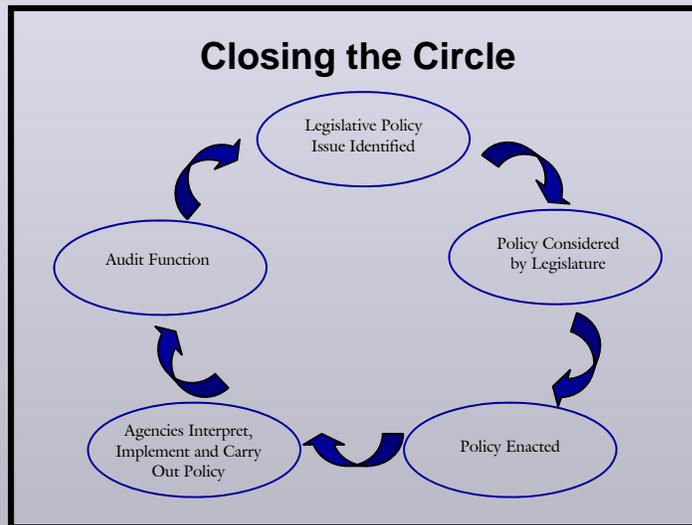




## The Role of the Legislative Auditor General's Office

Performance audits help legislators resolve the difficult issues facing them. In a variety of areas, the audits conducted by the Legislative Auditor General's Office examine the operations of state programs. The office reviews and evaluates the programs, seeing how they are being implemented, testing whether they are being operated at the lowest possible cost, and evaluating if they are successfully attacking the problems leading to their creation. These audits offer the legislators another important source of information as they attempt to solve pressing problems.

This process is called “closing the circle.” It delivers information about the programs conducted by state departments and institutions, as well as school districts and state colleges and universities, to those who set the policies and grant the funds. This process works in the following way: (1) the Legislature identifies policy issues for consideration; (2) the Legislature enacts legislation to address those issues; and (3) the agencies interpret, implement, and carry out the policy. Performance and program auditors observe the agencies and determine how well their interpretation, implementation, and policy follow-through are done. The auditors then make recommendations to the Legislature based on the new issues identified in the audit process.



A performance audit can serve one or more of the following functions:

- It may show that an agency or program is more expensive than it needs to be—Is the agency or program operating efficiently?
- It may indicate places where an agency or program is not fulfilling its mission and serving the public—Is the agency or program effective?
- It may point out problems with interpreting the Legislature's intent when the agency or program was created—Is the agency or program complying with the law?

All this information is given to legislators in performance terms so they can judge for themselves what actions should be taken.