

STATE AUDITOR

EXECUTIVE OFFICES & CRIMINAL JUSTICE APPROPRIATIONS SUBCOMMITTEE
STAFF: ZACKERY KING

BUDGET BRIEF

SUMMARY

The State Auditor is the elected, independent auditor of the state. The Auditor's mission is to provide Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government. The Auditor's purpose is accomplished by providing independent and innovative audits and investigations, and by monitoring and advising Utah's state and local governments. This has helped Utah to be recognized as having financially strong and well-run state and local governments.

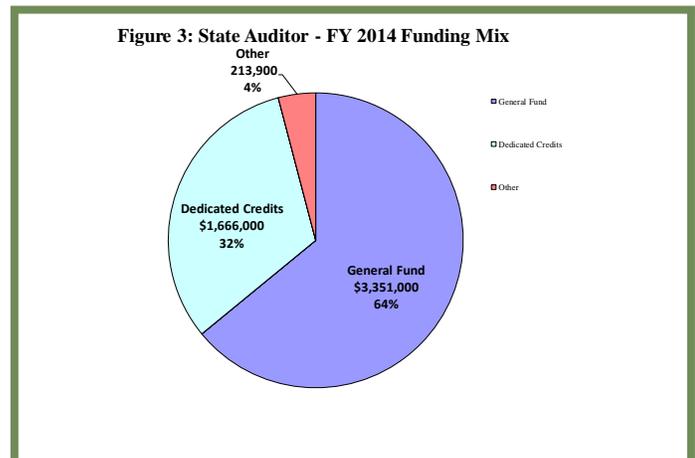
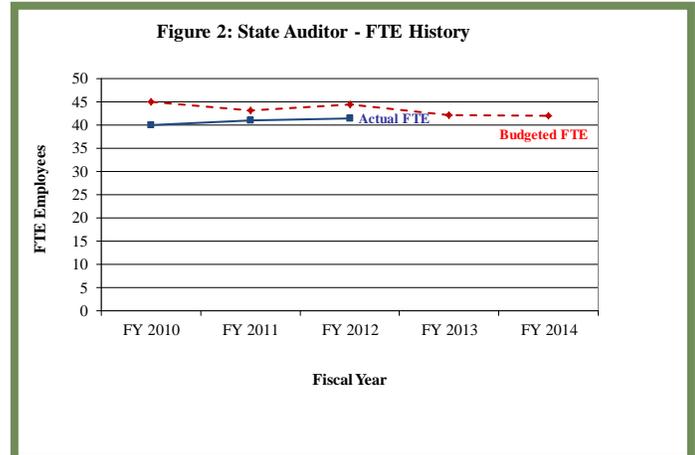
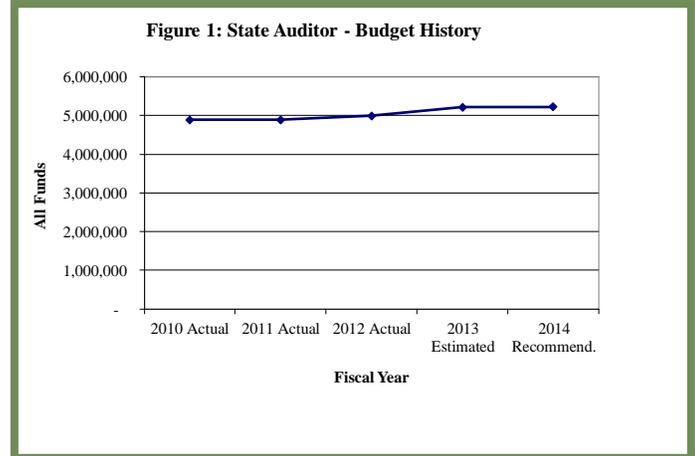
The State Auditor directs and has ultimate responsibility for the Auditing and Local Government Divisions within his office, and for the newly created Performance Audit Division. The Auditor reviews all audit reports; works on significant audit, accounting, and legislative fiscal issues; and performs various other duties related to the office.

The State Auditor line item is comprised of three areas:

Administration. Consists of funding for the personnel services and other costs of the State Auditor, an administrative assistant, and other office administrative staff. General costs not attributable to other specific programs are also charged to the Administration program.

Auditing. Primarily responsible for performing financial and compliance audits of state agencies, departments, colleges and universities, and quasi-state agencies on a regular basis. The program is responsible for auditing state's entity-wide Comprehensive Annual Financial Report. The Auditing Program also performs the federally mandated "single audit."

Local Government. Has the responsibility to ensure uniform accounting, budgeting, and financial reporting of the state's local governments.



ISSUES AND RECOMMENDATIONS

Base Budget

For the State Auditor, the Fiscal Analyst recommends a FY 2014 base budget of \$5,230,900. The State Auditor has begun reorganization activities within his office and has requested that the three programs within his budget be rolled up into one program. As each budget in the state is rolled up into line items for inclusion in the various appropriations acts, this change does not affect the presentation of the State Auditor's budget; it will still be rolled up into one line item.

Up to FY 2013 the three programs in the State Auditor's budget have been 1) Administration 2) Auditing, and 3) State and Local Government. If approved by the Legislature, beginning FY 2014, the sole program in the State Auditor's Office would be called "Auditing."

Adoption of Fees

In accordance with UCA 63J-1-504 requiring the department to "submit its fee schedule . . . to the Legislature for its approval on an annual basis," the State Auditor's requested fee schedule is presented in the issue brief titled *EOCJ: FY 2014 Fee Schedule*. UCA 63J-1-504 also states, "the Legislature may approve, increase or decrease and approve, or reject any fee submitted to it by a fee agency."

Intent Language

A report on intent language passed by the Legislature during the 2012 General Session for the Governor is included in the issue brief entitled *Governor Follow-up on Previous Intent Language*.

The Fiscal Analyst recommends the following intent language to make the State Auditor's FY 2013 unexpended appropriations nonlapsing at the end of FY 2013 (recommended by the Governor):

Under section 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for the State Auditor in Item 9 of Chapter 11, Laws of Utah 2012, not lapse at the close of Fiscal Year 2013.

BUDGET DETAIL

State Auditor						
Sources of Finance	FY 2012 Actual	FY 2013 Appropriated	Changes	FY 2013 Revised	Changes	FY 2014* Recommended
General Fund	3,217,700	3,351,000	0	3,351,000	0	3,351,000
Dedicated Credits Revenue	1,726,600	1,666,000	0	1,666,000	0	1,666,000
Beginning Nonlapsing	459,700	169,300	242,600	411,900	(198,000)	213,900
Closing Nonlapsing	(411,900)	0	(213,900)	(213,900)	213,900	0
Total	\$4,992,100	\$5,186,300	\$28,700	\$5,215,000	\$15,900	\$5,230,900
Programs						
State Auditor	337,100	349,000	(2,500)	346,500	4,884,400	5,230,900
Total	\$4,992,100	\$5,186,300	\$28,700	\$5,215,000	\$15,900	\$5,230,900
Categories of Expenditure						
Personnel Services	4,718,200	4,892,700	48,400	4,941,100	5,500	4,946,600
In-state Travel	6,100	6,100	0	6,100	0	6,100
Out-of-state Travel	18,900	16,800	2,100	18,900	0	18,900
Current Expense	181,000	184,000	900	184,900	(6,400)	178,500
DP Current Expense	59,500	86,700	(22,700)	64,000	16,800	80,800
DP Capital Outlay	8,400	0	0	0	0	0
Total	\$4,992,100	\$5,186,300	\$28,700	\$5,215,000	\$15,900	\$5,230,900
Other Data						
Budgeted FTE	44	43	(1)	42	(0)	42
Actual FTE	42	0	0	0	0	0
Vehicles	3	3	0	3	0	3

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

SUMMARY OF RECOMMENDATIONS

The Analyst recommends the Legislature:

1. Approve a FY 2014 base budget of \$5,230,900.
2. After review and adjustment, adopt the fee schedule referenced on page 2 including those recommendations contained in the issue brief titled *EOCJ: FY 2014 Fee Schedule*
3. After review and adjustment, approve the intent language on page 1.