Legislature - Auditor General

JLBC: Steve Grunig
OSPB: Kristine Ward

DESCRIPTION	FY 2003 ACTUAL	FY 2004 ESTIMATE	FY 2005 OSPB	FY 2005 JLBC
OPERATING BUDGET				
Full Time Equivalent Positions	176.4	176.4		179.4
Personal Services	8,041,700	8,041,700		8,211,600
Employee Related Expenditures	1,658,800	1,903,500		1,940,600
Professional and Outside Services	353,100	353,100		353,100
Travel - In State	236,300	236,300		236,300
Travel - Out of State	4,500	4,500		4,500
Other Operating Expenditures	780,800	606,500		623,000
Equipment	1,400	1,400		22,900
AGENCY TOTAL	**11,076,600**	**11,147,000**		**11,392,000**
FUND SOURCES				
General Fund	11,076,600	11,147,000		11,392,000
SUBTOTAL - Appropriated Funds	**11,076,600**	**11,147,000**		**11,392,000**
Other Non-Appropriated Funds	1,096,600	1,536,200		1,536,200
TOTAL - ALL SOURCES	12,173,200	12,683,200		12,928,200

CHANGE IN FUNDING SUMMARY

	FY 2004 to FY 2005 JLBC	
	$ Change	% Change
General Fund	245,000	2.2%
Total Appropriated Funds	245,000	2.2%
Non Appropriated Funds	0	0.0%
Total - All Sources	245,000	1.9%

AGENCY DESCRIPTION — The Auditor General, a staff agency of the Legislative Department, provides an independent financial, performance, and compliance audit capability in support of legislative oversight and public accountability of funds administered by the state and certain local governments.

PERFORMANCE MEASURES	FY 2003 Appropriation	FY 2003 Actual	FY 2004 Appropriation	FY 2005 Recommend.
• % of single audit recommendations implemented or adopted within two years for financial audits	65	56	65	65
• % of administrative recommendations implemented or adopted within 2 years for performance audits	90	92	90	92
• Legislative recommendations implemented or adopted within 2 years	60	60	60	60
• Average hours per performance audit	2,500	2,483	2,500	2,483
• % of agency staff turnover	27	19.4	19	19
• Administration as a % of total cost	7.4	8.5	8.0	8.0
• Customer satisfaction rating (Scale 1-8)	6.0	6.83	6.0	6.83

RECOMMENDED CHANGES FROM FY 2004

Operating Budget

The JLBC recommends $11,392,000 from the General Fund for the operating budget in FY 2005. This amount would fund the following adjustments:

Lease Costs **GF** **$0**
The JLBC recommends no change from the General Fund for increased lease costs. The agency would absorb a FY 2005 lease increase of $7,900 within their Other Operating Expenditures. With its lump sum budget the agency has the discretion to shift these monies from other line items.

DES Audit Team **GF** **245,000**
The JLBC recommends an increase of $245,000 from the General Fund and 3 FTE Positions in FY 2005 for additional duties related to audits of Child Protective Services (CPS). This amount includes $207,000 for Personal Services and Employee Related Expenditures, $21,500 for one-time equipment and $16,500 for Other Operating Expenditures. Laws 2003, Chapter 6, 2nd Special Session requires that the Auditor General perform additional duties with regard to Child Protective Services (CPS). The Auditor General is required to establish an audit team located in the Department of Economic Security (DES) to provide ongoing performance review and analyses. The audit team may determine the validity and accuracy of information reported by DES to the Legislature, may perform other reviews and analyses relating to CPS as set forth in the audit plan, and may review a specific division function or process relating to CPS as requested by the Joint Legislative Audit Committee.

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JLBC RECOMMENDED FORMAT — Lump Sum by Agency.

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes
This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Audit Services Revolving (AUA2242/A.R.S. § 41-1279.06)		**Non-Appropriated**

Source of Revenue: Charges to state budget units, counties, community college districts or school districts for audits or accounting services performed by, or under the supervision of, the Auditor General. A majority of the amounts collected are for federal compliance audits required by the Single Audit Act, as such audited entities are reimbursed by the federal government.
Purpose of Fund: To conduct audits required under federal law, special audits, or provide accounting services requested by state budget units, counties, community college districts or school districts. Monies in this fund may also be used to pay certified public accountants to conduct audits or provide accounting services.

Funds Expended	1,096,600	1,536,200
Year-End Fund Balance	586,800	250,600

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