

Auditor General: Debra Davenport

JLBC Analyst: Steve Grunig

	FY 2005 Actual	FY 2006 Estimate	FY 2007 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	179.4	184.4	184.4
Personal Services	7,980,400	8,948,900	10,517,600
Employee Related Expenditures	2,065,200	2,401,000	2,938,600
Professional and Outside Services	399,900	403,100	553,100
Travel - In State	135,700	242,800	242,800
Travel - Out of State	14,900	4,500	4,500
Other Operating Expenditures	864,300	809,700	809,700
Equipment	247,600	325,600	325,600
OPERATING SUBTOTAL	11,708,000	13,135,600	15,391,900
SPECIAL LINE ITEMS			
Ch. 4 English Language Learners	0	0	2,500,000 ^{1/}
AGENCY TOTAL	11,708,000	13,135,600	17,891,900^{2/3/}
FUND SOURCES			
General Fund	11,708,000	13,135,600	17,891,900
SUBTOTAL - Appropriated Funds	11,708,000	13,135,600	17,891,900
Other Non-Appropriated Funds	1,275,300	1,276,100	1,276,100
TOTAL - ALL SOURCES	12,983,300	14,411,700	19,168,000

AGENCY DESCRIPTION — The Auditor General (AG) 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.

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2007 Approved
PERFORMANCE MEASURES				
• % of single audit recommendations implemented or adopted within 1 year for financial audits	56	52	NA	65
• % of administrative recommendations implemented or adopted within 2 years for performance audits	92	95	NA	95
• Customer satisfaction rating (Scale 1-8) Comment: The agency did not submit information for any measure labeled as "NA."	6.8	NA	NA	6.8

Operating Budget

The budget provides \$15,391,900 from the General Fund for the operating budget in FY 2007. The amount includes an increase of \$706,300 from the General Fund for statewide adjustments. *(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)*

Salary Adjustments

The budget provides an increase of \$1,400,000 from the General Fund in FY 2007 for market adjustments for Auditor General professional staff salaries. The Auditor General has had difficulty recruiting and retaining skilled auditors because of a shortage of accountants and auditors, and because Auditor General salaries are lower than comparable private and public employers. The approved

^{1/} This appropriation is exempt from the provision of A.R.S. § 35-190, relating to lapsing of appropriations.

^{2/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

^{3/} This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations. (General Appropriation Act footnote)

amount includes \$1,205,000 for Personal Services and \$195,000 for Employee Related Expenditures.

Homeland Security Audits

The budget provides an increase of \$150,000 from the General Fund in FY 2007 for Homeland Security Audits in the Professional and Outside Services line item.

<i>Special Line Items</i>

Ch. 4 English Language Learners

Laws 2006, Chapter 4 includes \$2,500,000 from the General Fund in FY 2007 for auditing duties specified by the English Language Learners bill. The appropriation is exempt from lapsing. *(Please see the Department of Education section of this Appropriations Report for details.)*