

State Auditor and Inspector

Lead Administrator: Gary Jones, State Auditor and Inspector

FY'15 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Administration	\$653,151		\$153,116			\$806,267
Local Government Service	\$1,024,785		\$3,283,406			\$4,308,191
State Agency Services	\$1,554,880		\$2,480,924			\$4,035,804
Special Services	\$569,054		\$837,968			\$1,407,022
Investigative Audits	\$349,532		\$598,698			\$948,230
Ancillary Services	\$288,773					\$288,773
Total	\$4,440,175	\$0	\$7,354,112	\$0	\$0	\$11,794,287

*Source of "Other" and % of "Other" total for each.

FY'14 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'14 Carryover	\$459	\$0	\$555,251	\$0	\$0	\$555,710

*Source of "Other" and % of "Other" total for each.

What Changes did the Agency Make between FY'14 and FY'15

1.) Are there any services no longer provided because of budget cuts?
 All agency services are determined by either Constitution or Statute. The budget cuts sustained over the last five years have negatively impacted the the hiring and retention of our qualified, professional staff reducing efficiency goals in audit completion rates.

2.) What services are provided at a higher cost to the user?
 Our billing rates are lower than any accounting firm in Oklahoma and were slightly adjusted in FY14. However because audit costs are capped by statute or contract for some entities, we are not able to recover all audit costs. Of the 77 counties we audit, 65 counties do not collect sufficient millage to cover the cost associated with county auditing requirements.

3.) What services are still provided but with a slower response rate?
 We constantly evaluate the types of audits we conduct and shift available personnel, when possible, to minimize delays to our clients. Our audit staff and annual appropriation are both below FY08 levels and, despite enhanced technology, delays result when human capital diminishes.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?
 In order to minimize staff turnover and retain institutional knowledge, minimal raises were given. All agency personnel are unclassified. Our salaries are below market rates for comparable positions at other state agencies and in the private sector.

FY'16 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$640,869		\$175,760		\$816,629	1.29%
Local Government Service	\$998,466		\$3,429,711		\$4,428,177	2.79%
State Agency Services	\$1,628,151		\$2,427,902		\$4,056,053	0.50%
Special Services	\$568,999		\$847,426		\$1,416,425	0.67%
Investigative Audits	\$275,811		\$533,459		\$809,270	-14.65%
Ancillary Services	\$307,166				\$307,166	6.37%
Total	\$4,419,462	\$0	\$7,414,258	\$0	\$11,833,720	0.33%

*Source of "Other" and % of "Other" total for each.

FY'16 Top Five Appropriation Funding Requests	
	\$ Amount
5% increase to be applied to budgeted salaries and additional personnel costs	\$415,000
Total Increase above FY-15 Request	415,000

How would the agency handle a 3% appropriation reduction in FY'16?

A 3% reduction to our current appropriation would be \$133,280. We would have to decrease current personnel which would result in a slowdown of audit completions.

How would the agency handle a 5% appropriation reduction in FY'16?

A 5% reduction to the appropriation would be \$222,134. Personnel would need to be reduced by 3 to 4 FTE.

Is the agency seeking any fee increases for FY'16?

		\$ Amount
Increase 1	N/A	\$0
Increase 2	N/A	\$0
Increase 3	N/A	\$0

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

SSD Drives for all computers \$31,000
Backup Servers \$17,000

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

N/A

2.) Are any of those funds inadequate to pay for the federal mandate?

N/A

3.) What would the consequences be of ending all of the federal funded programs for your agency?

N/A

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

N/A

5.) Has the agency requested any additional federal earmarks or increases?

N/A

Division and Program Descriptions

Administrative Services

Internal agency operation including accounting, budget, HCM, policy, training and general administration

Local Government Services

Local Government Services includes the County Audit Division which serves county elected officials and residents through an independent audit of receipt and disbursement of county funds. County Management Services advises county officers on procedural and technical matters related to accounting and budget procedures. This division also audits Emergency Medical Service districts, District Attorney offices, and conducts two county treasurer reviews to ensure available revenues reconcile with stated account balances.

State Agency Services

State Agency Services consists of the following programs: Financial Audit Services to audit the State of Oklahoma's CAFR (instrumental to support the state's bond ratings and the Single Audit), and to prepare the Single Audit to meet mandates for the receipt of federal funds; Performance Audit Services to improve state agency operations and aid those responsible for initiating corrective action; and Information Services to provide IT auditors and support for the statewide auditors. EGID audit services provides oversight for the state employee's insurance group.

Special Services

Special Services consists of the following programs: Quality Assurance and Audit Review, Minerals Management Audit Services, Horse Racing and Gaming Audit Services, Board of Equalization Support, and Pension Commission Support.

Investigative Audits

Investigative Audit Services assists the Governor, Attorney General, district attorneys, governing bodies, and citizens (by petition) by conducting investigative audits of public entities in which fraudulent activities, waste, or abuse of public assets is suspected or alleged to have occurred. .

Ancillary Services

This program consists of pass-through funds to OSU-Commission on County Government Districts.

FY'16 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	1		8	2	5	1
Local Government Service	18		53	3	46	4
State Agency Services	17		47	0	41	6
Special Services	6		15	0	14	1
Investigative Audits	1		10	0	9	1
Total	43	0	133	5	115	13

FTE History					
	2015 Budgeted	2014	2010	2009	2004
Administration	8	8	11	9	12
Local Government Services	53	50	51	53	80
State Agency Services	47	44	37	36	52
Special Services	15	14	15	14	20
Investigative Audits	10	7	4	7	0
Total	133	123	118	119	164

Performance Measure Review					
	FY'13	FY'12	FY'11	FY'10	FY'09
Measure I Number of Audits Produced	328	357	473	319	458
Measure II Number of Experienced Auditors	68	67	72	67	72
Measure III Percentage of Auditors who have completed the necessary hours of CPE training	100%	100%	100%	100%	100%

Revolving Funds (200 Series Funds)			
	FY'12-14 Avg. Revenues	FY'12-14 Avg. Expenditures	June '14 Balance
Revolving Fund I Brief Description	\$6,225,686	\$6,110,197	\$555,251
Revolving Fund II Brief Description	\$0	\$0	\$0