

LEGISLATIVE DIVISION OF POST AUDIT

FY 2022 – FY 2024 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2022 – FY 2024

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Operating Expenditures:					
State General Fund	\$ 3,105,177	\$ 3,586,053	\$ 3,586,053	\$ 3,534,391	\$ 3,534,391
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 3,105,177</u>	<u>\$ 3,586,053</u>	<u>\$ 3,586,053</u>	<u>\$ 3,534,391</u>	<u>\$ 3,534,391</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 3,105,177</u>	<u>\$ 3,586,053</u>	<u>\$ 3,586,053</u>	<u>\$ 3,534,391</u>	<u>\$ 3,534,391</u>
Percentage Change:					
State General Fund	3.3 %	15.5 %	15.5 %	(1.4) %	(1.4) %
All Funds	3.3 %	15.5 %	15.5 %	(1.4) %	(1.4) %
FTE Positions	26.0	26.0	26.0	26.0	26.0

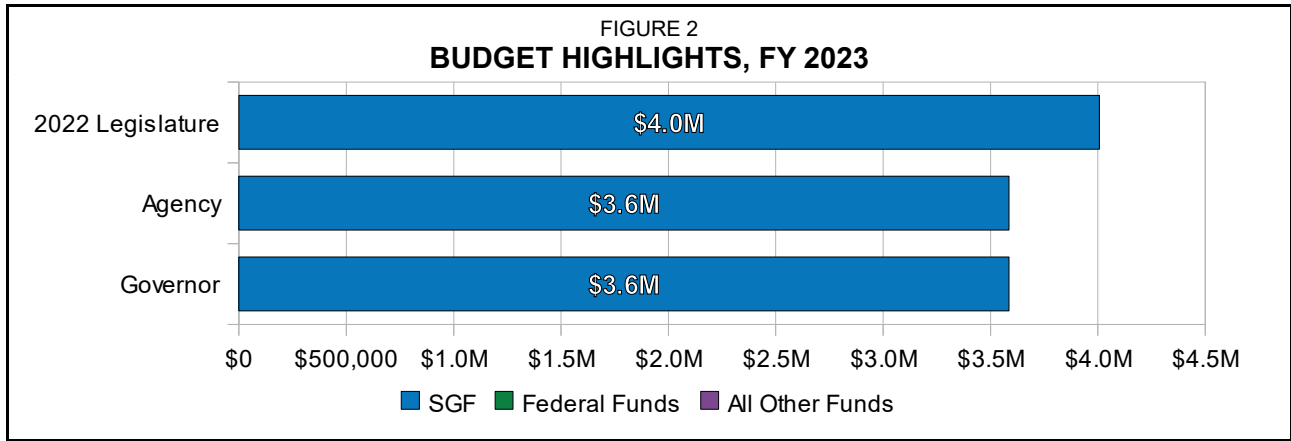
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Legislative Division of Post Audit is the audit arm of the Kansas Legislature. The Division is responsible for the performance audits of state agencies and programs, information technology (IT) security audits, and evaluations of the state's economic development incentives. The Division's audit work is conducted in accordance with generally accepted governmental auditing standards as set forth by the U.S. Government Accountability Office. The agency operates under the supervision of the ten-member Legislative Post Audit Committee.

EXECUTIVE SUMMARY

The 2022 Legislature approved a budget of \$3,598,165, all from the State General Fund (SGF), for the Legislative Division of Post Audit for FY 2023. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency includes the following:

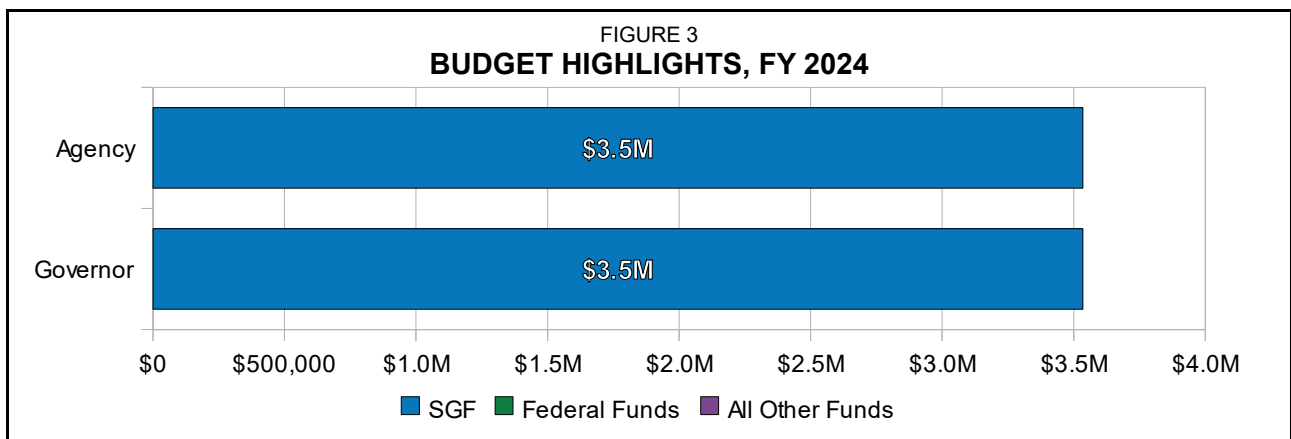
- **SGF REAPPROPRIATION.** An increase of \$408,525 SGF due to unspent funds in FY 2022 that reappropriated into FY 2023.



The **agency** submits an FY 2023 revised estimate totaling \$3.6 million, all SGF. The revised estimate is a decrease of \$420,637, or 10.5 percent, below the approved amount. The decrease is attributable to lapsing all of the SGF reappropriations from FY 2022 as well as an additional \$12,112 SGF. The majority of FY 2023 expenditures for this agency are in salaries and wages for the 26.0 FTE positions, which is 1.0 FTE position below the approved number. The decrease is due to the correction of a technical error.

Contractual services expenditures in FY 2023 include a \$150,000 contingency for hiring outside contractors for both economic development tax incentives evaluation and contracted performance audits.

The **Governor** concurs with the agency's revised estimate in FY 2023.



The **agency** requests \$3.5 million, all SGF, for FY 2024. The request is a decrease of \$51,662, or 1.4 percent, below the FY 2023 revised estimate. The majority of the decrease is due to a reduction in the contingency for hiring outside contractors for both economic development tax incentives evaluation and contracted performance audits, partially offset by increases in salaries and wages fringe benefit expenditures. The agency request also includes 26.0 FTE positions, which is the same as the FY 2023 revised estimate number. One of the major contractual services expenditures is contracts for assistance with selected performance audits and evaluations of economic development tax incentives.

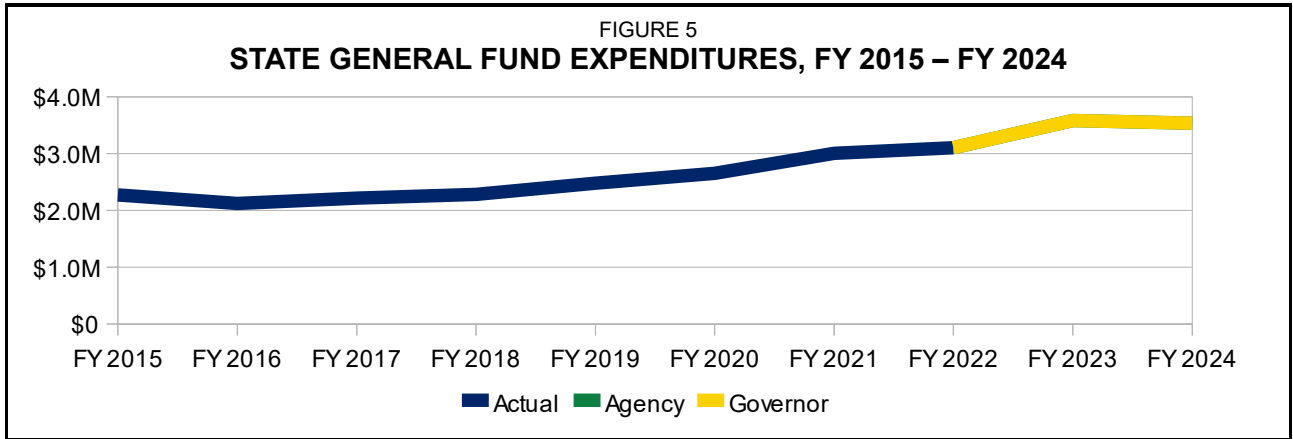
The **Governor** concurs with the agency's request for FY 2024.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2022 – FY 2024

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Category of Expenditure:					
Salaries and Wages	\$ 2,870,383	\$ 3,151,103	\$ 3,151,103	\$ 3,163,991	\$ 3,163,991
Contractual Services	219,784	414,950	414,950	350,400	350,400
Commodities	4,496	10,000	10,000	10,000	10,000
Capital Outlay	10,514	10,000	10,000	10,000	10,000
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 3,105,177</u>	<u>\$ 3,586,053</u>	<u>\$ 3,586,053</u>	<u>\$ 3,534,391</u>	<u>\$ 3,534,391</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<u>\$ 3,105,177</u>	<u>\$ 3,586,053</u>	<u>\$ 3,586,053</u>	<u>\$ 3,534,391</u>	<u>\$ 3,534,391</u>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	<u>\$ 3,105,177</u>	<u>\$ 3,586,053</u>	<u>\$ 3,586,053</u>	<u>\$ 3,534,391</u>	<u>\$ 3,534,391</u>
Financing:					
State General Fund	\$ 3,105,177	\$ 3,586,053	\$ 3,586,053	\$ 3,534,391	\$ 3,534,391
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	<u>\$ 3,105,177</u>	<u>\$ 3,586,053</u>	<u>\$ 3,586,053</u>	<u>\$ 3,534,391</u>	<u>\$ 3,534,391</u>
FTE Positions	26.0	26.0	26.0	26.0	26.0

STATE GENERAL FUND



For the Legislative Division of Post Audit, the SGF is the only funding source.

FY 2023 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2022 Legislature	\$ 3,598,165	\$ -	\$ 3,598,165	27.0
1. SGF Reappropriations	408,525	-	408,525	--
<i>Subtotal—Legislative Approved</i>	\$ 4,006,690	\$ -	\$ 4,006,690	27.0
Agency Revised Estimate:				
2. SGF Reappropriations Lapse	\$ (408,525)	\$ -	\$ (408,525)	--
3. All Other Adjustments	(12,112)	-	(12,112)	(1.0)
<i>Subtotal—Agency Revised Estimate</i>	\$ 3,586,053	\$ -	\$ 3,586,053	26.0
Governor's Recommendation:				
4. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 3,586,053	\$ -	\$ 3,586,053	26.0

LEGISLATIVE APPROVED

Subsequent to the 2022 Session, one adjustment was made to the \$3,598,165 appropriated to the Legislative Division of Post Audit for FY 2023. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** An increase of \$408,525 SGF due to unspent funds in FY 2022 that reappropriated into FY 2023.

AGENCY ESTIMATE

The **agency** submits an FY 2023 revised estimate totaling \$3.6 million, all SGF. The revised estimate is a decrease of \$420,637, or 10.5 percent, below the approved amount. The decrease is attributable to lapsing all of the SGF reappropriations from FY 2022 as well as an additional \$12,112 SGF. The majority of FY 2023 expenditures for this agency are in salaries and wages for the 26.0 FTE positions, which is 1.0 FTE position below the approved number. The decrease is due to the correction of a technical error.

Contractual services expenditures in FY 2023 include a \$150,000 contingency for hiring outside contractors for both economic development tax incentives evaluation and contracted performance audits.

The **agency** estimate includes the following adjustments:

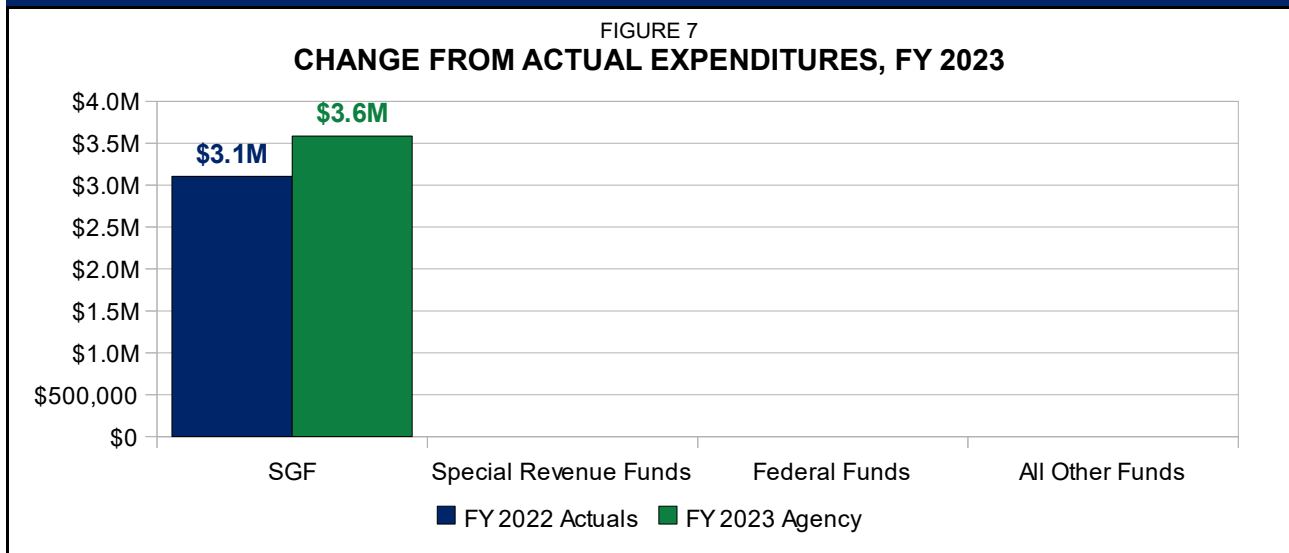
2. **SGF REAPPROPRIATIONS LAPSE.** The agency requests the lapse of \$408,525 in unspent FY 2022 SGF moneys that reappropriated into FY 2023.
3. **ALL OTHER ADJUSTMENTS.** The agency also requests the lapse of an additional \$12,112 SGF due to staff vacancies and 1.0 FTE position to resolve a technical issue with the prior year budget submission.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2023.

4. **NO CHANGES.** The Governor does not recommend any changes.

FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$3.6 million SGF in FY 2023. This is an increase of \$480,876, or 15.5 percent, above the FY 2022 actual expenditures. The increase includes a salaries and wages expenditures increase of \$280,720, mainly attributable to vacancies during FY 2022. Additional changes include an increase in contractual services expenditures of \$195,166, mainly attributable to the anticipated utilization of contract audits during FY 2023.

FY 2024 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2023	\$ 3,586,053	\$ -	\$ 3,586,053	26.0
Agency Request:				
1. All Other Adjustments	(51,662)	-	(51,662)	--
<i>Subtotal—Agency Estimate</i>	\$ 3,534,391	\$ -	\$ 3,534,391	26.0
Governor’s Recommendation:				
2. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 3,534,391	\$ -	\$ 3,534,391	26.0

AGENCY REQUEST

The **agency** requests \$3.5 million, all SGF, for FY 2024. The request is a decrease of \$51,662, or 1.4 percent, below the FY 2023 revised estimate. The majority of the decrease is due to a reduction in the contingency for hiring outside contractors for economic development tax incentives evaluation and contracted performance audits, partially offset by increases in salaries and wages fringe benefit expenditures.

The agency request also includes 26.0 FTE positions, which is the same as the FY 2023 revised estimate number. One of the major contractual services expenditures is contracts for assistance with selected performance audits and evaluations of economic development tax incentives.

The **agency** request includes the following adjustments:

1. **ALL OTHER ADJUSTMENTS.** The decrease is attributable to a reduction in the amount of the contingency for hiring outside contractors for economic development tax incentive evaluations and contracted performance audits, resulting in a decrease of \$51,662.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's request for FY 2024.

2. **NO CHANGES.** The Governor does not recommend any changes.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 9
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2022 – FY 2024

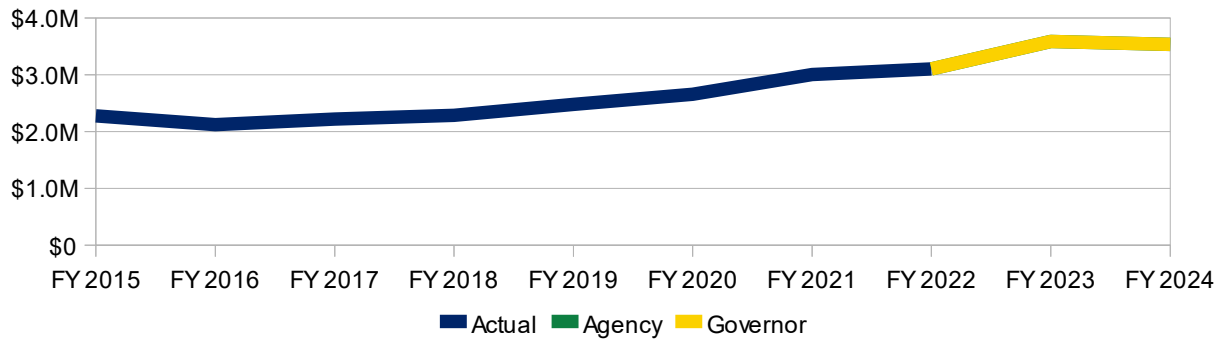
Programs	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Expenditures:					
Administration	\$ 3,105,177	\$ 3,586,053	\$ 3,586,053	\$ 3,534,391	\$ 3,534,391
FTE Positions:					
Administration	26.0	26.0	26.0	26.0	26.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 10
ADMINISTRATION EXPENDITURES, FY 2015 – FY 2024



STATUTORY BASIS: • KSA 46-1101 *et seq.*

- PROGRAM GOALS:**
- Conduct and issue audits that are responsive to the needs and mandates of the Legislature.
 - Conduct audits that promote improved efficiency, effectiveness, and financial management practices in Kansas government.
 - The agency will conduct audits in accordance with all applicable government auditing standards.

FIGURE 11
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. Percent of recommendations implemented by auditees (standard audits)	100.0 %	75.0 %	88.6 %	80.0 %	80.0 %
2. Percent of unique state agencies audited annually (standard, limited-scope, and IT security audits and IT monitoring)	20.4 %	30.0 %	27.0 %	25.0 %	25.0 %
3. Average cost per audit (standard and IT security audits)	\$ 143,190	\$ 207,012	\$ 165,911	\$ 200,000	\$ 200,000
Financing					
	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ 3,007,164	\$ 3,105,177		\$ 3,586,053	\$ 3,534,391
Federal Funds	-	-		-	-
All Other Funds	-	-		-	-
TOTAL	\$ 3,007,164	\$ 3,105,177		\$ 3,586,053	\$ 3,534,391
Percentage Change:					
SGF	13.3 %	3.3 %		15.5 %	(1.4) %
All Funds	13.3 %	3.3 %		15.5 %	(1.4) %
FTE Positions	26.0	26.0		26.0	26.0