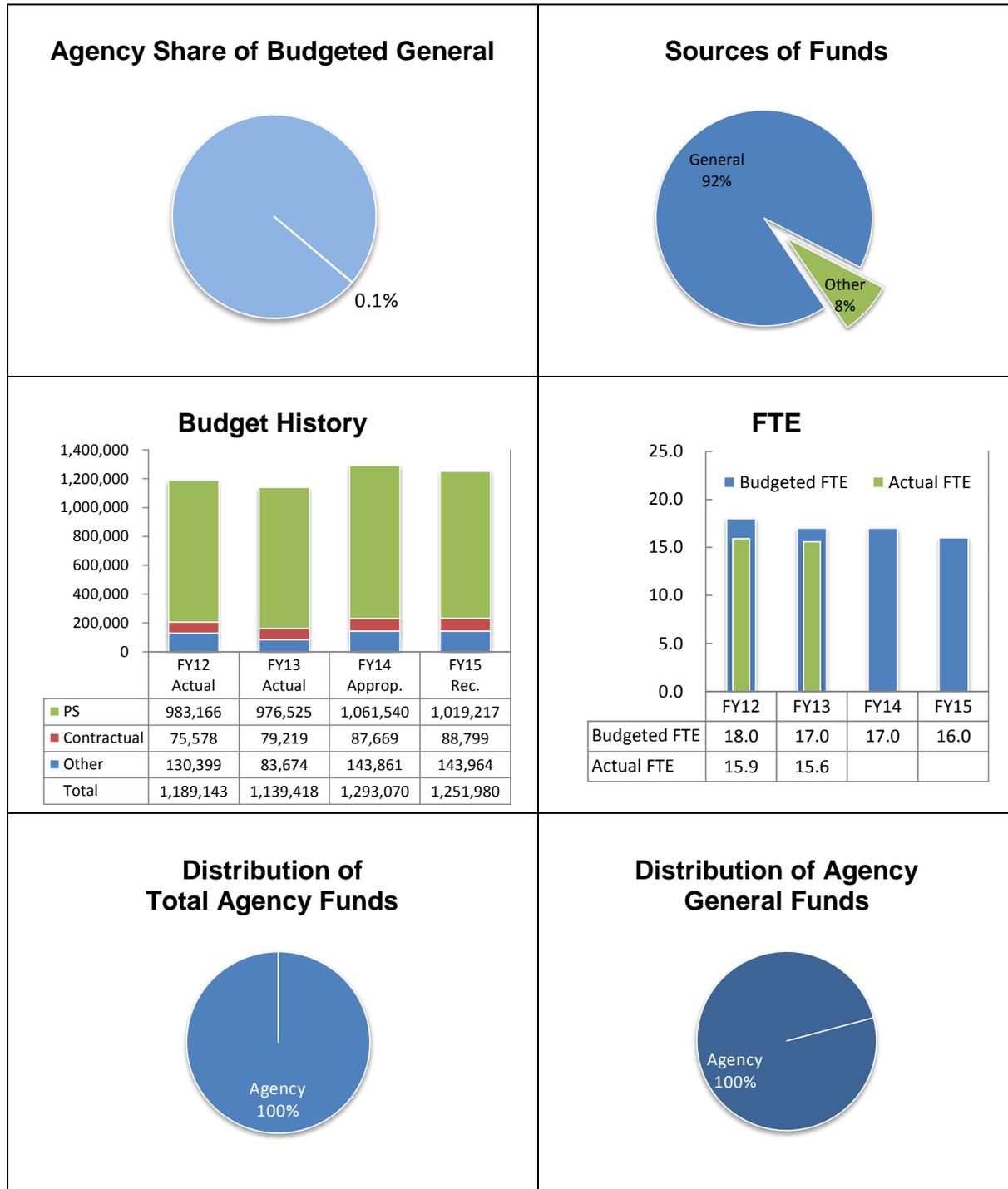


# FY15 Budget Briefing

# State Auditor

Information contained in this document is based on the Governor's original recommended FY15 budget.

This document may not correspond with the FY15 budget adopted by the Legislature.



## Key Personnel

- Steve Barnett, State Auditor
- Dennis Keith, Audit Supervisor
- Judy Flagstad, Payroll Supervisor
- Jason Lutz, Deputy State Auditor
- Robert Swanson, Accounting Supervisor/Contracts Manager
- Amanda Schmitgen, State Social Security Administrator

## Mission of the State Auditor

To pre-audit all claims against the state, issue warrants, administer state employee payroll, record and monitor all fund balances and all fund transfers; to reconcile fund balances and submit numerous reports to agencies on the state's financial condition as set forth by the rules of the State Auditor, the State Board of Finance, and of other state agencies; to deposit, on the eighth-month schedule with the Internal Revenue Service, the social security and federal income taxes withheld from employees of the state of South Dakota and the state universities in a proper and timely manner; to audit and correct all wage data and social security records of the employees of the state of South Dakota, state universities, and 740 governmental subdivisions, including counties, cities, school districts, townships, and water districts; and, to serve as a repository for W-2s for state employees.

## Department Total

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Inc/Dec FY15	% Change From FY14
<b>Personal Services</b>						
Employee Salaries	780,777	753,801	825,415	793,764	(31,651)	(3.8%)
Employee Benefits	202,389	222,724	236,125	225,453	(10,672)	(4.5%)
<b>FTE</b>	15.9	15.6	17.0	16.0	(1.0)	(5.9%)
<b>Funding Types</b>						
General	983,166	976,525	1,061,540	1,019,217	(42,323)	(4.0%)
Federal	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%
<b>Total PS</b>	983,166	976,525	1,061,540	1,019,217	(42,323)	(4.0%)
<b>Operating Expenses</b>						
Travel	3,981	9,016	11,244	11,244	0	0.0%
Contractual Services	75,578	79,219	87,669	88,799	1,130	1.3%
Supplies & Materials	21,688	24,032	26,387	26,387	0	0.0%
Grants & Subsidies	99,000	46,908	100,000	100,000	0	0.0%
Capital Outlay	5,730	3,719	6,230	6,333	103	1.7%
<b>Funding Types</b>						
General	106,978	115,986	131,530	132,763	1,233	0.9%
Federal	0	0	0	0	0	0.0%
Other	99,000	46,908	100,000	100,000	0	0.0%
<b>Total OE</b>	205,978	162,893	231,530	232,763	1,233	0.5%
<b>Totals</b>						
<b>Funding Types</b>						
General	1,090,144	1,092,510	1,193,070	1,151,980	(41,090)	(3.4%)
Federal	0	0	0	0	0	0.0%
Other	99,000	46,908	100,000	100,000	0	0.0%
<b>Total</b>	1,189,144	1,139,418	1,293,070	1,251,980	(41,090)	(3.2%)

## Department Object Detail

Item	Actual FY2012	Actual FY2013	Budgeted FY2014	Governor Rec FY2015	Inc/Dec Over FY2014	% Change Over FY2014
<b>PERSONAL SERVICES</b>						
General	983,166	976,525	1,061,540	1,019,217	(42,323)	(4.0%)
Federal	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0.0%
Total Personal Services	983,166	976,525	1,061,540	1,019,217	(42,323)	(4.0%)
<b>FTE</b>	15.9	15.6	17.0	16.0	(1.0)	-0.1
<b>TRAVEL</b>						
General	3,981	9,016	11,244	11,244	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0.0%
Total Travel	3,981	9,016	11,244	11,244	0	0.0%
<b>CONTRACTUAL SERVICES</b>						
General	75,578	79,219	87,669	88,799	1,130	1.3%
Federal	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0.0%
Total Contractual Services	75,578	79,219	87,669	88,799	1,130	1.3%
<b>SUPPLIES AND MATERIALS</b>						
General	21,688	24,032	26,387	26,387	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0.0%
Total Supplies and Materials	21,688	24,032	26,387	26,387	0	0.0%
<b>GRANTS AND SUBSIDIES</b>						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	99,000	46,908	100,000	100,000	0	0.0%
Total Grants and Subsidies	99,000	46,908	100,000	100,000	0	0.0%
<b>CAPITAL OUTLAY</b>						
General	5,730	3,719	6,230	6,333	103	1.7%
Federal	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0.0%
Total Capital Outlay	5,730	3,719	6,230	6,333	103	1.7%
<b>TOTAL</b>						
<b>General</b>	<b>1,090,143</b>	<b>1,092,511</b>	<b>1,193,070</b>	<b>1,151,980</b>	<b>(41,090)</b>	<b>(3.4%)</b>
<b>Federal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>99,000</b>	<b>46,908</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>0.0%</b>
<b>Total All Funds</b>	<b>1,189,143</b>	<b>1,139,419</b>	<b>1,293,070</b>	<b>1,251,980</b>	<b>(41,090)</b>	<b>(3.2%)</b>

## Major Expansions and Reductions

<b>Governor's Recommendation</b>					
	General Funds	Federal Funds	Other Funds	TOTAL Funds	FTE
A. FTE Elimination	(42,323)			(42,323)	(1.0)
B. Misc. Increases and Decreases	1,130			1,130	
C. Zero based Capital Asset Budget	103			103	
<b>TOTAL</b>	<b>(41,090)</b>	-	-	<b>(41,090)</b>	<b>(1.0)</b>

- A. The Office of the State Auditor is eliminating 1.0 unutilized FTE.
- B. Miscellaneous increases and decreases are for janitorial/space realignments, dues and subscription realignment, bureau billings, and a reduction in the insurance budget due to the elimination of the FTE.
- C. The Office requests an expansion of \$103 in general funds for two office machines and five computers, which will continue the three-year replacement rotation schedule. The total capital asset budget will be \$6,333.

## Governor's Recommended State Employee Compensation Plan – BFM Pool

For FY15, the Governor recommends the state employee compensation plan be distributed from a pool in the BFM. *Therefore, individual agency budgets do not reflect the changes for the compensation plan.*

	<u>General</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>
Across the Board Increase and Market Adjustments	\$28,238	\$0	\$0	\$28,238
Health Insurance	\$22,242	\$0	\$0	\$22,242
Movement Toward Job Worth (PACE)	\$11,386	\$0	\$0	\$11,386
Pay for Performance (Career Band Families)	\$0	\$0	\$0	\$0
Targeted Compensation Adjustments	\$0	\$0	\$0	\$0
<b>Total of all Components</b>	<b>\$61,866</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,866</b>

- Recommended FY15 - 3.0% PACE; 0%-4.5% Pay for Performance for Career Banding; 3% Across-the-Board/Market; 18.6% Health Insurance; Targeted compensation adjustments for a small number of hard-to-fill, below market vocational jobs.
- FY14 – 3.5% PACE; 0%-4.5% Pay for Performance for Career Banding; 3% Across-the-Board; 3.5%-4% Market Adjustment for Career Banding; 14.7% Health Insurance

## Interagency Billings

Below are the sources of funds the State Auditor used to pay for services provided by central governmental bureaus.

<b>FY13 Actual Expenditures</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>
Bureau of Administration	53,472	-	-	53,472
Bureau of Finance and Management	-	-	-	-
Bureau of Human Resources	-	-	-	-
Bureau of Information and Telecommunications	26,730	-	-	26,730
<i>Total Bureau Billings</i>	80,203	-	-	80,203

## Other Fund Balances

Company and Fund Name	Blue Book Page			60-Month Average	Lowest Monthly Cash Balance in Past Five Years	
		FY2012	FY2013	Cash Balance	Amount	Month
Company 3028 - Equal Access to Our Courts Fund	309	\$ 6,315	\$ 19,524	\$ 24,149	-	July 2008
Company 8000 - Agency Fund	310	\$ 5,643,285	\$ 7,084,864	N/A	N/A	N/A

#Average cash balance and lowest cash balance are actually less than five years due to age of fund.