

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1004 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
State Auditor			
Salaries and wages	\$5,716,616	\$5,872,615	\$155,999
Operating expenses	775,320	760,320	(15,000)
Equipment	78,970	78,970	
	<hr/>	<hr/>	<hr/>
Total all funds	\$6,570,906	\$6,711,905	\$140,999
Less estimated income	2,145,837	2,145,837	0
General fund	<hr/> \$4,425,069	<hr/> \$4,566,068	<hr/> \$140,999
FTE	53.00	55.00	2.00
Bill Total			
Total all funds	\$6,570,906	\$6,711,905	\$140,999
Less estimated income	2,145,837	2,145,837	0
General fund	<hr/> \$4,425,069	<hr/> \$4,566,068	<hr/> \$140,999
FTE	53.00	55.00	2.00

House Bill No. 1004 - State Auditor - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$5,716,616	\$138,999	\$5,855,615
Operating expenses	775,320	(30,000)	745,320
Equipment	78,970		78,970
	<hr/>	<hr/>	<hr/>
Total all funds	\$6,570,906	\$108,999	\$6,679,905
Less estimated income	2,145,837	0	2,145,837
General fund	<hr/> \$4,425,069	<hr/> \$108,999	<hr/> \$4,534,068
FTE	53.00	2.00	55.00

Department No. 117 - State Auditor - Detail of House Changes

	Add 2 FTE Auditor I Positions - Transfer Funding From Operating ¹	Adjust Market Equity Salary Increase ²	Total House Changes
Salaries and wages	\$140,000	(\$1,001)	\$138,999
Operating expenses	(30,000)		(30,000)
Equipment			
	<hr/>	<hr/>	<hr/>
Total all funds	\$110,000	(\$1,001)	\$108,999
Less estimated income	0	0	0
General fund	<hr/> \$110,000	<hr/> (\$1,001)	<hr/> \$108,999
FTE	2.00	0.00	2.00

¹ This amendment restores 2 FTE auditor I positions unfunded in the agency's base budget request and deleted in the Schafer and Hoeven budget recommendations. This amendment transfers \$30,000 from operating expenses to salaries and wages to partially fund the \$140,000 general fund cost of the positions.

² This amendment reduces, from \$4,402 to \$3,401, the amount provided for a market equity salary increase for the State Auditor. The amount included in the bill will provide for a monthly increase of \$162 per month for the last 18 months of the biennium.

In Section 2 of the bill, the amount of estimated income to be generated from political subdivision audit fees is increased by \$54,019, the amount of the executive budget compensation package funded from the collection of these audit fees, to match the amount appropriated in Section 1 of the bill.

House Bill No. 1004 - State Auditor - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,716,616	\$5,855,615	(\$53,000)	\$5,802,615
Operating expenses	775,320	745,320	30,000	775,320
Equipment	78,970	78,970		78,970
Total all funds	\$6,570,906	\$6,679,905	(\$23,000)	\$6,656,905
Less estimated income	2,145,837	2,145,837	0	2,145,837
General fund	\$4,425,069	\$4,534,068	(\$23,000)	\$4,511,068
FTE	53.00	55.00	(1.00)	54.00

Department No. 117 - State Auditor - Detail of Senate Changes

	Remove FTE Position Added by House ¹	Add Funding for Additional Salary Adjustments ²	Restore Funding for Operating Expenses ³	Total Senate Changes
Salaries and wages	(\$70,000)	\$17,000		(\$53,000)
Operating expenses			30,000	30,000
Equipment				
Total all funds	(\$70,000)	\$17,000	\$30,000	(\$23,000)
Less estimated income	0	0	0	0
General fund	(\$70,000)	\$17,000	\$30,000	(\$23,000)
FTE	(1.00)	0.00	0.00	(1.00)

¹ This amendment removes one FTE auditor I position added by the House for the agency's state audit division. The agency unfunded two FTE auditor I positions in the base budget request for the 2001-03 biennium; the positions were deleted in the Schafer and Hoeven budget recommendations.

² The Schafer and Hoeven budget recommendations included \$35,000 for salary adjustments, in addition to the executive budget compensation package, to increase entry-level auditor salaries to assist in reducing agency turnover. The Senate version increases funding for this purpose by \$17,000, to provide a total of \$52,000.

³ The House reduced funding for operating expenses by \$30,000 to partially offset the cost of the two FTE positions added by the House. The Senate amendment restores the \$30,000 for operating expenses.

House Bill No. 1004 - State Auditor - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$5,716,616	\$5,855,615	\$17,000	\$5,872,615	\$5,802,615	\$70,000
Operating expenses	775,320	745,320	15,000	760,320	775,320	(15,000)
Equipment	78,970	78,970		78,970	78,970	
Total all funds	<u>\$6,570,906</u>	<u>\$6,679,905</u>	<u>\$32,000</u>	<u>\$6,711,905</u>	<u>\$6,656,905</u>	<u>\$55,000</u>
Less estimated income	2,145,837	2,145,837	0	2,145,837	2,145,837	0
General fund	<u>\$4,425,069</u>	<u>\$4,534,068</u>	<u>\$32,000</u>	<u>\$4,566,068</u>	<u>\$4,511,068</u>	<u>\$55,000</u>
FTE	53.00	55.00	0.00	55.00	54.00	1.00

Department No. 117 - State Auditor - Detail of Conference Committee Changes

	Add Funding for Additional Salary Adjustments¹	Restore Funding for Operating Expenses²	Total Conference Committee Changes
Salaries and wages	\$17,000		\$17,000
Operating expenses		15,000	15,000
Equipment			
Total all funds	<u>\$17,000</u>	<u>\$15,000</u>	<u>\$32,000</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$17,000</u>	<u>\$15,000</u>	<u>\$32,000</u>
FTE	0.00	0.00	0.00

¹ The Schafer and Hoeven budget recommendations included \$35,000 for salary adjustments, in addition to the executive budget compensation package, to increase entry level auditor salaries to assist in reducing agency turnover. The Conference Committee did not change the Senate recommendation to increase funding for this purpose by \$17,000, to provide a total of \$52,000.

² The House reduced funding for operating expenses by \$30,000 to partially offset the cost of the two FTE positions added by the House. The Senate restored the \$30,000 for operating expenses. The Conference Committee amendment adds \$15,000 for operating expenses, \$15,000 less than the Senate version.

The Conference Committee amendment includes funding for 55 FTE positions, two FTE more than the Schafer and Hoeven executive recommendations. The House added the two FTE positions removed in the executive recommendation; the Senate added only one of the positions.