

LEGISLATIVE DIVISION OF POST AUDIT

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 3,007,164	\$ 3,513,700	\$ 3,513,700	\$ 3,477,553	\$ 3,477,553
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 3,007,164</u>	<u>\$ 3,513,700</u>	<u>\$ 3,513,700</u>	<u>\$ 3,477,553</u>	<u>\$ 3,477,553</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>				
TOTAL	<u>\$ 3,007,164</u>	<u>\$ 3,513,700</u>	<u>\$ 3,513,700</u>	<u>\$ 3,477,553</u>	<u>\$ 3,477,553</u>
Percentage Change:					
State General Fund	13.3 %	16.8 %	16.8 %	(1.0) %	(1.0) %
All Funds	13.3 %	16.8 %	16.8 %	(1.0) %	(1.0) %
FTE Positions	26.0	27.0	27.0	27.0	27.0

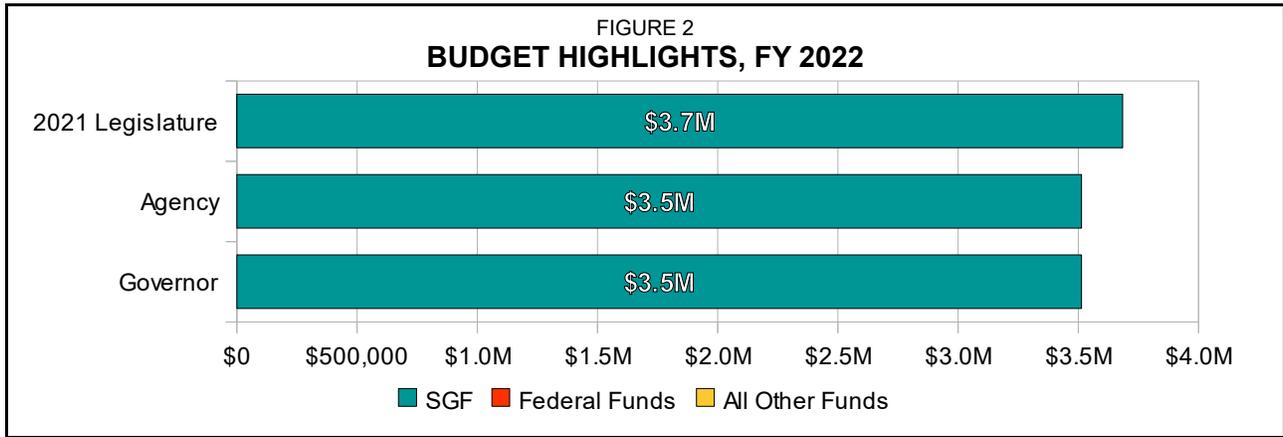
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

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

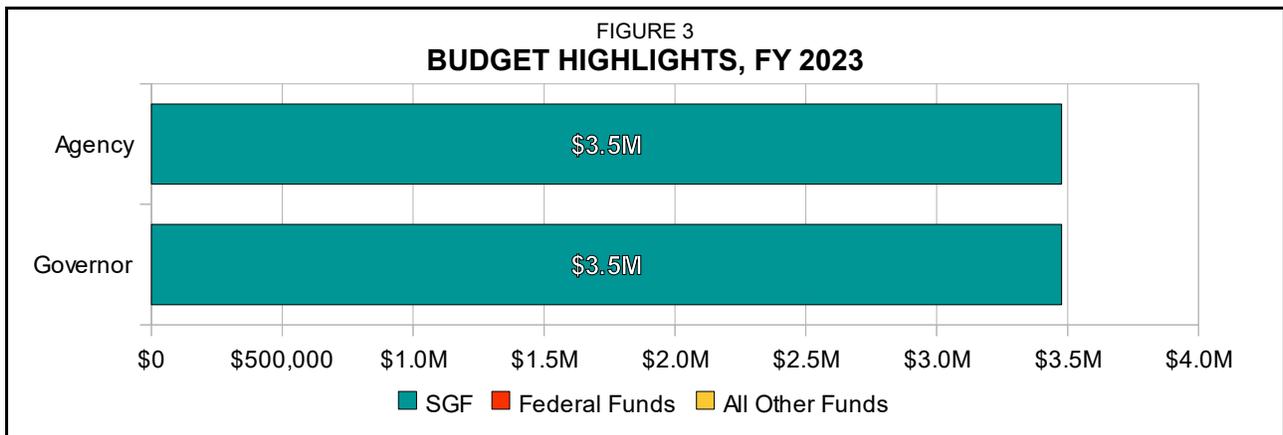
The 2021 Legislature approved a budget of \$3,356,162, all from the State General Fund (SGF), for the Legislative Division of Post Audit for FY 2022. One adjustment has been made subsequently to that amount, which changes the current year approved amount without any legislative action required. The adjustment for this agency includes the following:

- **SGF REAPPROPRIATION.** An increase of \$328,701 SGF due to unspent funds in FY 2021 that reappropriated into FY 2022.



The **agency** submits an FY 2022 revised estimate totaling \$3.5 million, all SGF. The revised estimate is a decrease of \$171,163, or 4.6 percent, below the approved amount. The decrease is all attributable to lapsing a portion of the SGF reappropriations from FY 2021. The majority of FY 2022 expenditures for this agency are in salaries and wages for the 27.0 FTE positions, which is the same as the approved number. Contractual services expenditures in FY 2022 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 2022.



The **agency** requests \$3.5 million, all SGF, for FY 2023. The request is a decrease of \$36,147, or 1.0 percent, below the FY 2022 revised estimate. The majority of the decrease is due to the lack of reappropriated funds, partially offset by increases in salaries and wages fringe benefit expenditures. The agency request also includes 27.0 FTE positions, which is the same number as the FY 2022 revised estimate. One of the major contractual services expenditures is contracts for assistance with selected performance audits and evaluations of economic development tax incentives.

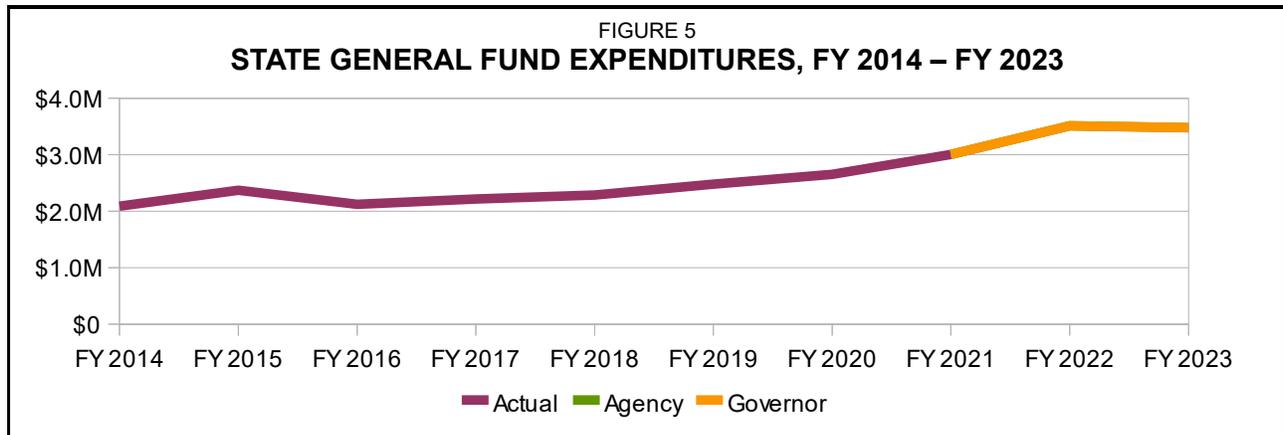
The **Governor** concurs with the agency's request for FY 2023.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 2,839,206	\$ 3,093,450	\$ 3,093,450	\$ 3,092,303	\$ 3,092,303
Contractual Services	140,640	400,250	400,250	365,250	365,250
Commodities	11,114	10,000	10,000	10,000	10,000
Capital Outlay	16,204	10,000	10,000	10,000	10,000
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 3,007,164</u>	<u>\$ 3,513,700</u>	<u>\$ 3,513,700</u>	<u>\$ 3,477,553</u>	<u>\$ 3,477,553</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<u>\$ 3,007,164</u>	<u>\$ 3,513,700</u>	<u>\$ 3,513,700</u>	<u>\$ 3,477,553</u>	<u>\$ 3,477,553</u>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	<u>\$ 3,007,164</u>	<u>\$ 3,513,700</u>	<u>\$ 3,513,700</u>	<u>\$ 3,477,553</u>	<u>\$ 3,477,553</u>
Financing:					
State General Fund	\$ 3,007,164	\$ 3,513,700	\$ 3,513,700	\$ 3,477,553	\$ 3,477,553
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	<u>\$ 3,007,164</u>	<u>\$ 3,513,700</u>	<u>\$ 3,513,700</u>	<u>\$ 3,477,553</u>	<u>\$ 3,477,553</u>
FTE Positions	26.0	27.0	27.0	27.0	27.0

STATE GENERAL FUND



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

FY 2022 ANALYSIS

FIGURE 6 SUMMARY OF BUDGET REQUEST, FY 2022					
	SGF	Special Revenue Funds	All Funds	FTE	
Legislative Approved:					
Amount Approved by 2021 Legislature	\$ 3,356,162	\$ -	\$ 3,356,162		26.0
1. SGF Reappropriation	328,701	-	328,701		--
<i>Subtotal—Legislative Approved</i>	<i>\$ 3,684,863</i>	<i>\$ -</i>	<i>\$ 3,684,863</i>		<i>26.0</i>
Agency Revised Estimate:					
2. Lapse SGF Reappropriation	\$ (171,163)	\$ -	\$ (171,163)		--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 3,513,700</i>	<i>\$ -</i>	<i>\$ 3,513,700</i>		<i>26.0</i>
Governor’s Recommendation:					
3. No Changes	\$ -	\$ -	\$ -		--
TOTAL	\$ 3,513,700	\$ -	\$ 3,513,700		26.0

LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$3,684,863 appropriated to the Legislative Division of Post Audit for FY 2022. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** An increase of \$328,701 SGF due to unspent funds in FY 2021 that reappropriated into FY 2022.

AGENCY ESTIMATE

The **agency** submits an FY 2022 revised estimate totaling \$3.5 million, all SGF. The revised estimate is a decrease of \$171,163, or 4.6 percent, below the approved amount. The decrease is all attributable to lapsing a portion of the SGF reappropriations from FY 2021. The majority of FY 2022 expenditures for this agency are in salaries and wages for the 27.0 FTE positions, which is the same as the approved number. Contractual services expenditures in FY 2022 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:

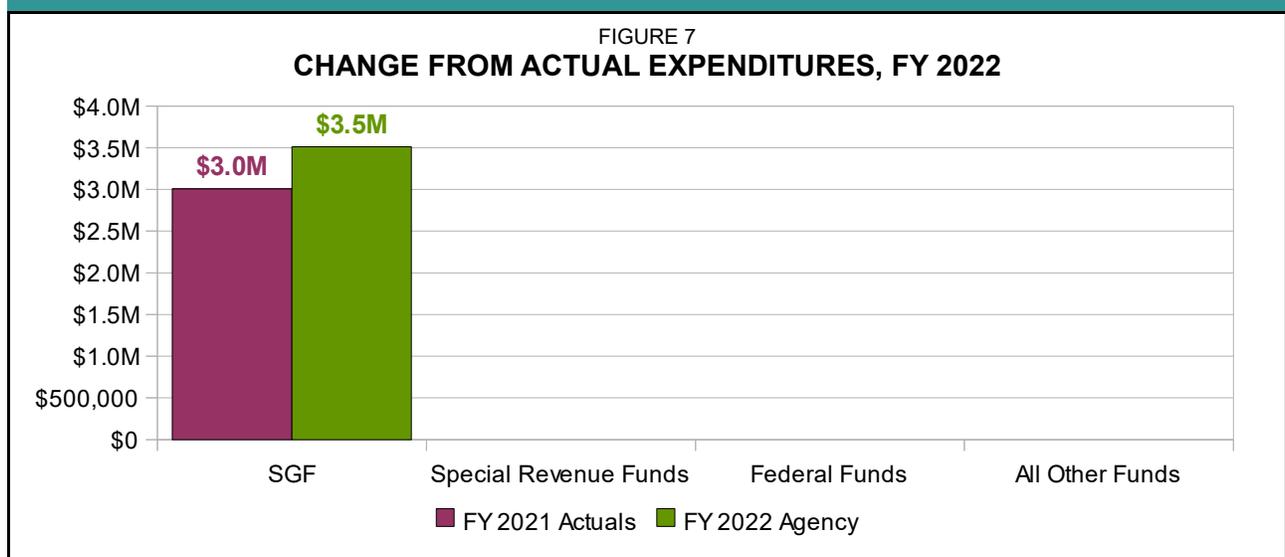
2. **SGF REAPPROPRIATIONS.** The agency requests the lapse of \$171,163 of the unspent FY 2021 SGF moneys that reappropriated into FY 2021.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2022.

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

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency submits an FY 2022 revised estimate totaling \$3.5 million, all SGF. The revised estimate is an increase of \$506,536, or 16.8 percent, above the FY 2021 actual expenditures. Of this increase, \$254,244 is in salaries and wages, due in part to vacancies during FY 2021, and \$259,610 is in contractual services, partially offset by minimal decreases in commodities and capital outlay. The agency expended less than expected in travel expenditures in FY 2021 due to the COVID-19 pandemic. In addition, the agency only made minimal expenditures for outside contractors in FY 2021, which resulted in savings of unexpended contingency audit funds which reappropriated from FY 2021 into FY 2022. This FY 2022 budget includes funding for outside contractors to assist with performance audits and evaluations of economic development tax incentives as necessary.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 3,513,700	\$ -	\$ 3,513,700	26.0
Agency Request:				
1. All Other Adjustments	(36,147)	-	(36,147)	--
<i>Subtotal—Agency Request</i>	\$ 3,477,553	\$ -	\$ 3,477,553	26.0
Governor's Recommendation:				
2. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 3,477,553	\$ -	\$ 3,477,553	26.0

AGENCY REQUEST

The **agency** requests \$3.5 million, all SGF, for FY 2023. The request is a decrease of \$36,147, or 1.0 percent, below the FY 2022 revised estimate. The majority of the decrease is due to the lack of reappropriated funds, partially offset by increases in salaries and wages fringe benefit expenditures. The agency request also includes 27.0 FTE positions, which is the same number as the FY 2022 revised estimate. 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 absence of reappropriated SGF moneys from the FY 2022 account for the decrease.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's request for FY 2023.

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

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

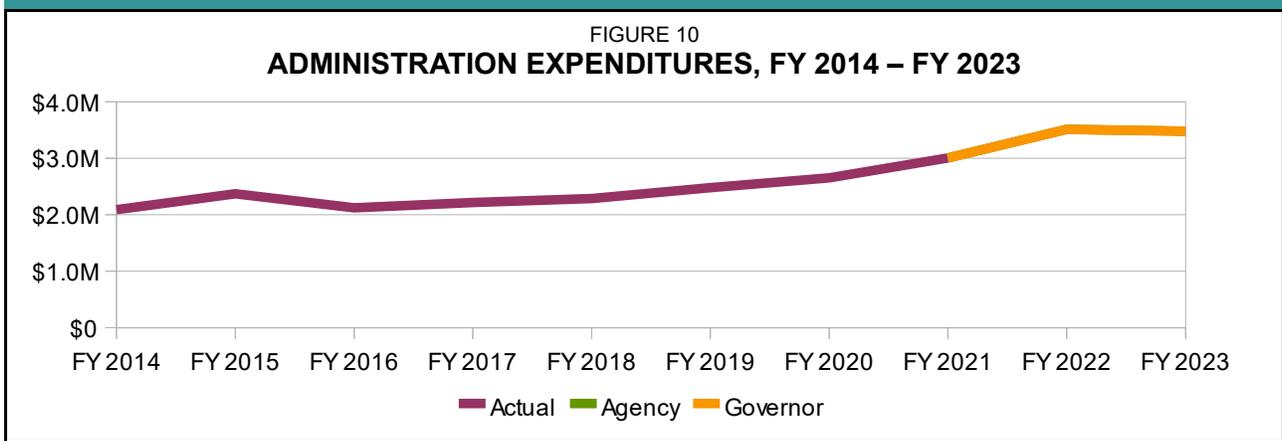
FIGURE 9
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023

Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 3,007,164	\$ 3,513,700	\$ 3,513,700	\$ 3,477,553	\$ 3,477,553
FTE Positions:					
Administration	26.0	27.0	27.0	27.0	27.0

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



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 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of recommendations implemented by auditees (standard audits)	90.9 %	100.0 %	94.4 %	90.0 %	90.0 %
2. Percent of unique state agencies audited annually (standard, limited-scope, and IT security audits and IT monitoring)	30.5 %	20.4 %	25.5 %	25.5 %	25.5 %
3. Average cost per audit (standard and IT security audits)	\$ 147,530	\$ 143,190	\$ 155,916	\$ 150,000	\$ 150,000
Financing	Actual FY 2021	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 2,655,284	\$ 3,007,164		\$ 3,513,700	\$ 3,477,553
Federal Funds	-	-		-	-
All Other Funds	-	-		-	-
TOTAL	\$ 2,655,284	\$ 3,007,164		\$ 3,513,700	\$ 3,477,553
Percentage Change:					
SGF	7.1 %	13.3 %		16.8 %	(1.0) %
All Funds	7.1 %	13.3 %		16.8 %	(1.0) %
FTE Positions	25.0	26.0		27.0	27.0