



STATE OF WYOMING

003

Agency Number

2009-2010 BIENNIUM BUDGET REQUEST

STATE AUDITOR

Agency Name

The information in this budget request has been developed in accordance with the agency plan prepared according to W.S. 28-1-115 & 28-1-116 [W.S. 9-2-1011 (b)(vi)]. Submitted by:

Signature _____

Name _____

Title _____

Person(s) responsible for the preparation of this budget:

Prepared for the February 2008 Legislature

Budget Division, Department of Administration & Information

TABLE OF CONTENTS

<u>003 - STATE AUDITOR</u>	<u>PAGE</u>
DEPARTMENT BUDGET SUMMARY TABLE.....	3
DEPARTMENT BUDGET NARRATIVE	4
0100 - ADMINISTRATION	10
0101 - ADMINISTRATION NARRATIVE	11
0101 - ADMINISTRATION BUDGET REQUEST	17
1000 - GF LICENSE REVENUE RECOUPMENT.....	19
1001 - GF LICENSE REVENUE RECOUPMENT NARRATIVE.....	20
1001 - GF LICENSE REVENUE RECOUPMENT BUDGET REQUEST	21
2500 - STATE EMPLOYEE COMPENSATION	22
2501 - INSURANCE NARRATIVE	23
2501 - INSURANCE BUDGET REQUEST	25
2504 - MARKET ADJUSTMENTS NARRATIVE	26
2504 - MARKET ADJUSTMENTS BUDGET REQUEST	27
4800 - MEDICAID RESERVE	28
4801 - MEDICAID RESERVE NARRATIVE	29
4801 - MEDICAID RESERVE BUDGET REQUEST	30

DEPARTMENT STATE AUDITOR							DEPT 003
1 Description	Code	2 Base Budget	3 Standard Budget	4 Exception Request	5 Total Agency Request	6 Governor's Changes	7 Governor's Recommendation
DIVISION							
ADMINISTRATION	0100	16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
GF LICENSE REVENUE RECOUPMENT	1000	0	2,200,000	0	2,200,000	(500,000)	1,700,000
STATE EMPLOYEE COMPENSATION	2500	13,931,781	6,700,000	0	6,700,000	0	6,700,000
MEDICAID RESERVE	4800	44,673,841	0	0	0	0	0
TOTAL BY DIVISION		74,616,005	24,530,609	2,547,842	27,078,451	(500,000)	26,578,451
OBJECT SERIES							
PERSONAL SERVICES	0100	4,236,442	4,855,629	0	4,855,629	0	4,855,629
SUPPORTIVE SERVICES	0200	1,779,518	1,770,738	812,127	2,582,865	0	2,582,865
CENT. SERV./DATA SERV.	0400	81,490	96,698	0	96,698	0	96,698
NON-OPERATING EXPENDITURES	0800	58,605,622	8,900,000	0	8,900,000	(500,000)	8,400,000
CONTRACTUAL SERVICES	0900	9,912,933	8,907,544	1,735,715	10,643,259	0	10,643,259
TOTAL BY OBJECT SERIES		74,616,005	24,530,609	2,547,842	27,078,451	(500,000)	26,578,451
SOURCES OF FUNDING							
GENERAL FUND/BRA	G	74,616,005	24,530,609	2,547,842	27,078,451	(500,000)	26,578,451
OTHER FUNDS	Z	0	0	0	0	0	0
TOTAL BY FUNDS		74,616,005	24,530,609	2,547,842	27,078,451	(500,000)	26,578,451
AUTHORIZED EMPLOYEES							
FULL TIME EMPLOYEE COUNT		26	26	0	26	0	26
AWEC EMPLOYEE COUNT		1	1	0	1	0	1
TOTAL AUTHORIZED EMPLOYEES		27	27	0	27	0	27

DEPARTMENT STATE AUDITOR

DEPT 003

SECTION 1. DEPARTMENT STATUTORY AUTHORITY

Wyoming Constitution, Article 4, Sections 11 and 12 provide that the State Auditor shall be elected and the powers and duties shall be prescribed by law.

W.S. 9-1-402 requires the State Auditor to maintain the State's accounting records, vouchers, documents, contracts, and fiscal accounts and order all payments into and out of the funds held in the Treasury. This law also requires the State Auditor to serve as the State's comptroller, chief accountant, chief fiscal control officer, and state payroll officer and to supervise the issuance of all warrants.

W.S. 9-1-403 requires the State Auditor to audit and settle all claims against the State, draw all warrants upon the Treasury, and provide an annual financial report of the fiscal affairs of the State, prepared in conformance with generally accepted accounting principles.

W.S. 9-4-216 establishes the Financial Advisory Council, provides for members on the council and designates the State Auditor as chairman. The Financial Advisory Council oversees the design and implementation of the state accounting system.

W.S. 9-4-217 requires the use of the state uniform accounting system, as designated by the State Auditor, by the legislative, judiciary and executive branch agencies, including the University of Wyoming, Wyoming Game & Fish and Department of Transportation.

SECTION 2. QUALITY OF LIFE RESULT

Wyoming state government is a responsible steward of State assets and by the use of advanced technology ensures fiscal accountability, transparent to the public access of Wyoming residents.

SECTION 3. CONTRIBUTION TO WYO QUALITY OF LIFE

As the State's comptroller and chief accountant and official custodian of state financial records, the Office acts as the chief steward of state financial and fiscal assets. The Office has the responsibility of providing a payroll and financial system capable of meeting or exceeding the requirements of state agencies as they are held accountable for the expenditure of public funds. Compliance is measured annually through the Office's production of the Comprehensive Annual Financial Report that is verified by an independent audit firm contracted by the Department of Audit.

SECTION 4. BASIC FACTS

The Auditor's Office has 26 authorized fulltime positions and 1 AWEC position. The current 2007-2008 biennium budget is \$16,010,383, all general fund.

The Office's primary responsibilities include:

DEPARTMENT STATE AUDITOR

DEPT 003

Maintenance and operation of a statewide payroll system, used by all three branches of government, for the efficient processing of payroll expenses, payroll deductions, tax reporting and remittance on a monthly basis. This includes permanent employees, at-will employment contract employees, part-time seasonal employees, and the state apprenticeship program. We service approximately 12,000 personnel annually, translating to approximately 10,000 payroll checks each month.

Maintenance and operation of a statewide accounting system, used by all three branches of government, for the efficient accounting, payment, and processing of all accounts payables generated by state government, accounting and collection of all accounts receivables, reconciliation of all warrants and electronic funds transfer transactions.

Tracking fund balances and cash balances, which reconcile daily to the State Treasurer's account balances. We process approximately 700,000 transactions annually to over 100,000 vendors.

Production of the Comprehensive Annual Financial Report (CAFR) through the extraction of information from the accounting system, payroll system, and other data collecting systems. Compilation of the data is formatted in accordance with accounting industry standards, audited by an external audit firm and published for citizens and government use and reference.

Training agency fiscal staff on the use of the financial system, payroll system, and infoAdvantage report system, and providing constant Help Desk and one-on-one services for access by agency users. There are approximately 800 agency users on the financial system, and approximately 300 payroll users. Training is continual due to turnover and system upgrades.

There are four divisions in the Auditor's Office, in addition to the administration level which consists of the State Auditor, Deputy State Auditor, Chief Administrative Officer, Executive Assistant and Administrative Assistant.

CAFR Group – responsible to prepare the State's Comprehensive Annual Financial Report, load legislative appropriations to agency budgets, and maintain the fixed asset system, which is integral in the State's financial system.

Technology Division – responsible for the technical operation of the State's financial and payroll system

System Functional and Training Division – responsible for the functional operation of the State's financial and payroll systems, and to provide training to state agencies on the use of the systems.

Internal Support Group – responsible for payroll support for agencies, vendor file maintenance for agencies, purchasing card/travel card program administered by the Auditor's Office for agencies, and various other supportive administrative functions for agencies.

SECTION 5 PERFORMANCE MEASURES

Performance Measure 1

DEPARTMENT STATE AUDITOR

DEPT 003

The Auditor's Office implemented a complex conversion of WOLFS III (Wyoming Online Financial System) in 2007 that was 17 months in design and testing. The financial system was converted from a mainframe to a web-based system. The payroll system had previously been converted, thus the following information pertains to the financial system only.

The financial system database has 1500 tables, 53,000 fields of entry, and over 1,000,000 lines of code. The diversity and complexity of state agency requirements to track and account for expenditures require a powerful system.

WOLFS III now runs twice weekly to produce the thousands of payments to vendors. The previous system, while running twice weekly, only produced payments on the 5th and 20th of the month. Payments are now produced at each run. Runs are performed at night, when users are off the system, which requires a stretching of staff resources to monitor, balance, and prepare payments to be distributed to agencies. There are over 200 state entities in the three branches of government that depend on the WOLFS III financial and payroll system for their accounting.

There is no option but to meet scheduled runs. The processing of state agency vouchers for payments to the thousands of vendors counting on their money must be 100%. Vendors in the state not only include businesses that deliver goods and services, but individual residents who receive workers' compensation payments, retirement checks, child support payments, medicaid payments, daycare and foster parent payments, tax rebates to the elderly, crime victim payments, and many more. Every payment made by state government runs on the financial system.

In addition, state payroll runs monthly, and the system must accommodate the huge amount of payroll deductions, adjustments, final pays, and calculations relating to retirement, garnishments, and other processes for approximately 10,000 state employees.

The Technology Division of the Auditor's Office has primary responsibility for the accounting and payroll system programming and performance. The staff consists of five technology specialists. They work with CGI, the vendor under contract to the Auditor's Office, whose data center is in Phoenix, AZ. We link through a high speed, secured line for our use only. The servers to run these systems are managed by CGI per specific requirements in a hosting contract with the Auditor's Office, and the applications are managed by our office. CGI maintains the hardware, operating systems, and security software. As of July 2007, all of our systems are encrypted for all data being sent to and received from the online applications.

Performance Measure 2

The Comprehensive Annual Financial Report is the primary means for reporting the State's financial activities. W.S. 9-1-403(a)(v) requires that the State Auditor provide annual financial statements prepared in conformance with generally accepted accounting principles (GAAP) by December 15 of every year.

The report is required by law, and must be completed on deadline, and must be accurate. There is no room for other than 100% performance in this function of the Auditor's Office.

DEPARTMENT STATE AUDITOR

DEPT 003

The Auditor's Office has received numerous achievement awards for excellence in financial reporting given by the Government Finance Officers Association of the United States and Canada. The certificate of achievement is only for one year at a time, therefore, excellence and accuracy in the preparation of the report is an annual goal of the CAFR Group. The Group consists of five financial specialists.

Performance Measure 3

#1 – Training Opportunities for Agency Users

The graph indicates a bar for the number of payroll and financial system users, and the number who took training in the first part of 2007 to the time of this report. A goal of the new administration is to ramp up training for state agency system users, especially important with the conversion to a new web-based accounting system. The complexity and diversity of state agencies demand a system that meets the varying needs for fiscal accountability. We intend to diversify the types of training opportunities offered. There will be the classroom setting training session, sessions for just individual agency users, one-on-one training, and off-site training at agencies that request it. We will aggressively contact agencies regarding the initial training of their new personnel, as well as refresher training. Comprehensive instruction manuals are provided for all users, but the personal training time is critical to efficient, accurate use of the system. We will be working to increase the technique and knowledge of our trainers, so agencies receive the best of the best in accounting instruction. The System Functional and Training Division has the primary responsibility for training. The staff consists of five specialists in the area of system functionality and training expertise.

#2 – The Auditor's Office provides a VISA purchase card program through UMB Bank in Kansas City, MO that gives agencies more flexibility in purchasing procedures. Graph #2 indicates the number of transactions in the first half of 2007. The use of the P-Card increases efficiency, saves money in processing payments, and provides vendors more timely payment. The Auditor's Office will be encouraging more use of the P-Card in the year ahead and giving more flexibility for its use to state agencies. The Internal Support Group has primary responsibility for administration of the P-Card Program, along with other administrative duties for agencies as previously discussed.

#3 – Another goal for the Auditor's Office is to increase the use of EFT (electronic fund transfer) by vendors of state agencies. Graph #3 charts the number of EFT and warrant payments from July 1, 2006 through June 30, 2007. EFT payments get money to payees of the State much more quickly than a check, and the time and money savings is considerable.

DEPARTMENT STATE AUDITOR

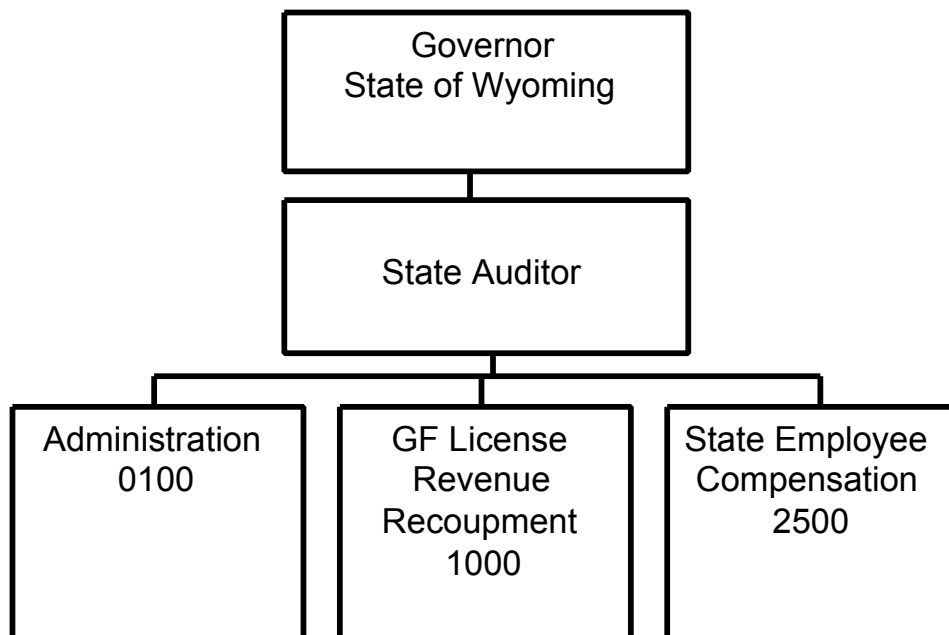
DEPT 003

SECTION 6. DEPARTMENT PRIORITIES**2009-2010 Biennium Exception Budget Request
State Auditor - (003)**

Agency Priorities	Division	Unit No.	Item Requested	Agency Request	Description
1	Administration	0101	Professional Fees	1,180,715	Contractor Support Fees
2	Administration	0101	Maintenance Contracts	722,771	Software Maintenance Fees
3	Administration	0101	Special Projects + Services	555,000	Custom Development Modifications
4	Administration	0101	Office Supplies	62,394	Replacement Cartridges, Switches
5	Administration	0101	Travel In State	20,000	Increased Expenses
6	Administration	0101	Travel Out Of State	2,600	Increased Expenses
7	Administration	0101	Equipment Rental	4,362	Additional Office Copier
			Total Agency Exception Request:	\$ 2,547,842	
			General Fund	\$ 2,547,842	

DEPARTMENT STATE AUDITOR

DEPT 003

SECTION 7. DEPARTMENT ORGANIZATION

DEPARTMENT STATE AUDITOR							DEPT 003
DIVISION ADMINISTRATION							DIV NO 0100
1	2	3	4	5	6	7	
Division	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
UNIT							
ADMINISTRATION	0101	16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
TOTAL BY UNIT		16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
OBJECT SERIES							
PERSONAL SERVICES	0100	4,236,442	4,855,629	0	4,855,629	0	4,855,629
SUPPORTIVE SERVICES	0200	1,779,518	1,770,738	812,127	2,582,865	0	2,582,865
CENT. SERV./DATA SERV.	0400	81,490	96,698	0	96,698	0	96,698
CONTRACTUAL SERVICES	0900	9,912,933	8,907,544	1,735,715	10,643,259	0	10,643,259
TOTAL BY OBJECT SERIES		16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
SOURCES OF FUNDING							
GENERAL FUND/BRA	G	16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
SPECIAL REVENUE	R	0	0	0	0	0	0
TOTAL BY FUNDS		16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
AUTHORIZED EMPLOYEES							
FULL TIME EMPLOYEE COUNT		26	26	0	26	0	26
AWEC EMPLOYEE COUNT		1	1	0	1	0	1
TOTAL AUTHORIZED EMPLOYEES		27	27	0	27	0	27

DEPARTMENT STATE AUDITOR
 DIVISION ADMINISTRATION
 UNIT ADMINISTRATION

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	0100	0101	001	101

SECTION 1. UNIT STATUTORY AUTHORITY

Wyoming Constitution, Article 4, Sections 11 and 12 provide that the State Auditor shall be elected and the powers and duties shall be prescribed by law.

W.S. 9-1-402 requires the State Auditor to maintain the State's accounting records, vouchers, documents, contracts, and fiscal accounts and order all payments into and out of the funds held in the Treasury. This law also requires the State Auditor to serve as the State's comptroller, chief accountant, chief fiscal control officer, and state payroll officer and to supervise the issuance of all warrants.

W.S. 9-1-403 requires the State Auditor to audit and settle all claims against the State, draw all warrants upon the Treasury, and provide an annual financial report of the fiscal affairs of the State, prepared in conformance with generally accepted accounting principles.

W.S. 9-4-216 establishes the Financial Advisory Council, provides for membership on the council and designates the State Auditor as the chairman. The Financial Advisory Council oversees the design and implementation of the state accounting system.

W.S. 9-4-217 requires the use of the state uniform accounting system, as designated by the State Auditor, by the legislative, judiciary and executive branch agencies, including the University of Wyoming, Wyoming Game & Fish and Department of Transportation.

SECTION 2. STANDARD BUDGET REQUEST

Part A: Narrative

The State Auditor's staff consists of one elected official and a team of 24 employees. The SAO administers one program, Administration. Our mission, as statutorily mandated is to pay all executive branch employees, (except the University of Wyoming and Community Colleges), board and commission members, and all legislative and judicial branch employees through a single state-wide payroll system, managed and maintained by this office. Additionally, we pay all vendors providing goods and/or services to the state through a single, state-wide accounting system, managed and maintained by this office. The SAO also produces a Comprehensive Annual Financial Report for each financial fiscal year. Our standard budget request, along with the stated agency adjustments and exception requests, maintain our objectives through the next biennium.

Part B: Revenue:

The State Auditor generates less than \$80,000 annually, derived from the Visa program annual rebate, Freedom of Information Act requests, the Check-off program and agency requests for payroll hand warrants, all of which is deposited into the General Fund.

GOVERNOR'S RECOMMENDATION

DEPARTMENT STATE AUDITOR
 DIVISION ADMINISTRATION
 UNIT ADMINISTRATION

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	0100	0101	001	101

I am recommending approval of the request as submitted.

SECTION 3. EXCEPTION BUDGET REQUEST

1. PRIORITY #1 – UPGRADED SUPPORT SERVICES

A. EXPLANATION OF REQUEST: The software packages provided by CGI for payroll and financial services are called baseline software. The State Auditor's Office has periodically made customizations to the baseline software, so that the State Auditor's Office can perform certain functions to comply with statutory duties. Some of these functions are: tracking matching insurance requirements; entering appropriations into the financial system for each State agency; and providing budgetary control alerts at the object level. The State Auditor's Office staff handles much of the day-to-day support of the customized software. CGI is often called upon, however, when support is needed to ensure that the customized software is working properly on its own, and is integrating properly with the baseline software. This support from CGI is billed on an hourly basis. When CGI helps provide fixes, patches, or minor releases affecting the customizations and software, a separate contract or amendment is often required.

There is now a support service plan that will provide three distinct benefits:

1. A contractor support services team specifically trained in the baseline software and how it is integrated with Wyoming's customized software will be dedicated to Wyoming, and will be on call for the State Auditor's Office 24/7. The 800 State agency users of the system will be better served if the State Auditor's Office is able to reach CGI support staff immediately for resolution of any problems.
2. There will no longer be a higher charge for service support on custom modifications, as is the case now.
3. The support services contractor will also commit to prestablished deadlines for resolution of software problems. The service plan will be entered into for at least two years, thereby giving more certainty and consistency to the budgeting process.

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE:

0901- Professional Fees (Upgrade Support Service) \$ 1,180,715 100% General Fund

C. PERFORMANCE JUSTIFICATION: Performance measures one and two are both supported by this request. Without adequate support services, the correct data required to create an annual report, as well as running the WOLFS III (Wyoming Online Financial System) and payroll system could not be accomplished.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the request as submitted.

DEPARTMENT STATE AUDITOR
 DIVISION ADMINISTRATION
 UNIT ADMINISTRATION

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	0100	0101	001	101

2. PRIORITY #2 - BASELINE SOFTWARE MAINTENANCE FEE

A. EXPLANATION OF REQUEST: The State Auditor's Office must pay annual maintenance to have the basic financial and payroll software maintained. This basic software is integral to the State Auditor's Office's processing and payment to all State employees and vendors who contract with the State.

The fee includes standard fixes and updates to already existing baseline software. For example, the State Auditor's Office has received a fix which allows it to generate large volumes of EFT payments at once. The fee also covers necessary updates for annual changes to federal tax reporting handled by the State Auditor's Office, including the issuance of all W2 and 1099 forms to State employees and private vendors.

This type of fee is typically calculated by software patent holders/vendors as a flat percentage of a base price for software. The amount requested here by the State Auditor's Office reflects two facts: the State Auditor's Office is no longer receiving any discount under existing contracts, and the base price of software has increased.

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE

0292 – Maintenance (Baseline Software Maintenance Fee) \$ 722,771 100% General Fund

C. PERFORMANCE JUSTIFICATION: Performance measures one and two are supported by this request. The Auditor must maintain both an accounting system and payroll system; this request allows accomplishment of that goal.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the request as submitted.

3. PRIORITY #3 - ONE TIME TECHNOLOGY SERVICES

A. EXPLANATION OF REQUEST: The software for the statewide financial and payroll systems administered by the State Auditor's Office is essentially packaged software also sold to other governmental and private entities. Although the majority of the packaged software works for Wyoming, development of custom modifications is also necessary. The development of each custom modification is a separate one-time cost, as compared to the ongoing costs for the customized software. Once developed, the State Auditor's Office owns the customized software. For example, the State Auditor's Office has custom modifications to track Wyoming insurance matching requirements, to allow the State Auditor's Office to enter appropriations for each State agency as required by statute, to provide budgetary control alerts at the object series level, and to provide users an online view of revenues and expenditures by fiscal year and month.

In the 2009-2010 biennium, the State Auditor's Office wants to acquire a custom modification that will allow statutorily required certification of vouchers to be done online. The State Auditor's Office also contemplates a custom modification to the federal grants portion of the baseline financial software so State agencies can consistently process, account for, and accurately report on federal awards. Accurate reporting is vital for the State's Comprehensive Annual Financial Report, and for continued receipt of federal grant monies by numerous State agencies.

DEPARTMENT STATE AUDITOR
 DIVISION ADMINISTRATION
 UNIT ADMINISTRATION

Wyoming On Line Financial Codes
 DEPT DIVISION UNIT FUND APPR
 003 0100 0101 001 101

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE:

0903 – Special Projects and Services (Development of Custom Modifications to Financial and Payroll Software) \$555,000 100% General Fund

C. PERFORMANCE JUSTIFICATION: All three goals of the Auditor are facilitated through this request. Without a statewide accounting system, running at the minimum requirements established by law, our requirements to run a certified accounting and payroll system, pay employees timely and produce an annual report on the state's fiscal health would be circumvented.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the request as submitted.

4. PRIORITY #4 - OFFICE SUPPLIES

A. EXPLANATION OF REQUEST: The State Auditor's Office uses regular ink cartridges for office printers and MICR cartridges for warrant printing. MICR is magnetic ink character recognition, and is required by banks. The MICR cartridges are only used in specialized printers to print warrants. They are considerably more costly than regular printer cartridges. The cost for regular ink printer cartridges and for MICR cartridges has increased 15% over the last biennium. A standard budget item has not been allocated to this expense in previous years, even though this is an ongoing and critical cost for the State Auditor's Office to be able to perform its statutory duty to issue warrants.

Also, there has never been a standard budget item for the four switches that control the SAO network. One to two switches require replacement each biennium. The SAO has asked for the replacement cost of \$3,780 each budget session for this re-occurring necessary expense. For the 2009-2010 biennium, we have added the \$3,780 into the 0230 series, which will now track the cost of MICR and regular cartridges, as well as network switches. (The \$3,780 for switches was requested under series 0242 last biennium.)

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE:

0230 – Office Supplies (Ink Printer cartridges and MICR cartridges and Network switches) \$ 62,394 100% General Fund

C. PERFORMANCE JUSTIFICATION: All three Performance Measures of the Auditor are facilitated through this request. Ink printer cartridges are needed for the daily operations of the State Auditor's Office. The MIRC cartridges are needed to print vendor, employee, and payroll warrants per bank requirements. The network switches are needed to control the SAO network.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the request as submitted.

DEPARTMENT STATE AUDITOR
 DIVISION ADMINISTRATION
 UNIT ADMINISTRATION

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	0100	0101	001	101

5. PRIORITY #5 – IN-STATE TRAVEL COSTS

A. EXPLANATION OF REQUEST: Travel has become increasingly expensive. Air travel rates for State transportation are affected by the higher cost of fuel and operations. Under the rates of reimbursement, travel costs will also increase in 2009-2010 for lodging and meals. Rates for car rental from the State's Motor Vehicle Pool are higher. This exception request is based on actual in-state travel expense incurred by the State Auditor's Office during the 2007-2008 biennium and the increased required reimbursement rates that will apply for the 2009-2010 biennium.

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE

0221 – In-State Travel Costs \$ 20,000 100% General Fund

C. PERFORMANCE JUSTIFICATION: Performance Measure 3 of the Auditor is facilitated through this request. Training of the State agencies on the WOLFS III system and the general public, vendors and state agencies of the duties of the Auditor's Office is an integral part of the training being proposed.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the request as submitted.

6. PRIORITY #6 – OUT-OF-STATE TRAVEL COSTS

A. EXPLANATION OF REQUEST: This exception request is based on actual in-state travel expense incurred by the State Auditor's Office during the 2007-2008 biennium and the increased required reimbursement rates that will apply for the 2009-2010 biennium.

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE:

0222 – Out-of-State Travel Costs \$ 2,600 100% General Fund

C. PERFORMANCE JUSTIFICATION: Performance Measure 3 of the auditor is facilitated through this request. Proper, on-going training of the State Auditor's Office's own support teams on updates from CGI is a fundamental part of training State agencies.

PRIORITY #7 – EQUIPMENT RENTAL

A. EXPLANATION OF REQUEST: This exception request is for the additional cost to lease a smaller copier to be used for smaller copy jobs by the SAO staff located downstairs in the Capitol.

B. REQUEST BY OBJECT CODE, FUNDING AMOUNT & FUNDING SOURCE:

DEPARTMENT STATE AUDITOR
DIVISION ADMINISTRATION
UNIT ADMINISTRATION

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	0100	0101	001	101

0252 – Equipment Rental \$ 4,362 100% General Fund

C. PERFORMANCE JUSTIFICATION: Performance Measure 1, 2, and 3 of the Auditor is facilitated through this request. This request will help staff to utilize their time more efficiently spending less time going back and forth to the copier.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the request as submitted.

DEPARTMENT DIVISION UNIT	STATE AUDITOR ADMINISTRATION ADMINISTRATION	Wyoming On Line Financial Codes					
		DEPT 003	DIVISION 0100	UNIT 0101	FUND 001	APPR 101	
1		2	3	4	5	6	7
Description	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
EXPENDITURES							
SALARIES-SET BY LAW	0101	184,000	184,000	0	184,000	0	184,000
SALARIES CLASSIFIED	0103	2,725,056	3,061,878	0	3,061,878	0	3,061,878
SALARIES OTHER	0104	0	0	0	0	0	0
EMPLOYER PD BENEFITS	0105	1,140,083	1,347,617	0	1,347,617	0	1,347,617
AWEC SALARY & BENEFITS	0110	20,042	0	0	0	0	0
RETIREEES INSURANCE	0197	0	33,134	0	33,134	0	33,134
EXTERNAL COST ADJ - SALARIES	0198	137,947	187,280	0	187,280	0	187,280
EXTERNAL COST ADJ - BENEFIT	0199	29,314	41,720	0	41,720	0	41,720
PERSONAL SERVICES	0100	4,236,442	4,855,629	0	4,855,629	0	4,855,629
REAL PROPTY REP & MT	0201	38,000	3,000	0	3,000	0	3,000
EQUIPMENT REP & MNTC	0202	8,182	8,182	0	8,182	0	8,182
UTILITIES	0203	621	621	0	621	0	621
COMMUNICATION	0204	56,827	56,827	0	56,827	0	56,827
DUES-LICENSES-REGIST	0207	94,932	94,932	0	94,932	0	94,932
ADVERTISING-PROMOT	0208	416	416	0	416	0	416
MISCELLANEOUS	0210	0	0	0	0	0	0
TRAVEL IN STATE	0221	5,193	5,193	20,000	25,193	0	25,193
TRAVEL OUT OF STATE	0222	12,373	12,373	2,600	14,973	0	14,973
PERMANENTLY ASSIGNED VEHICLES	0223	31,656	31,656	0	31,656	0	31,656
BD/COMM TRAVEL REIMBURSEME	0227	0	0	0	0	0	0
SUPPLIES	0230	0	6,686	62,394	69,080	0	69,080
OFFICE SUPPL-PRINTNG	0231	65,846	100,846	0	100,846	0	100,846
MTR VEH&AIRPLANE SUP	0233	0	0	0	0	0	0
EDUCA-RECREATNL SUPP	0236	6,686	0	0	0	0	0
OTH REPAIR-MAINT SUP	0239	0	0	0	0	0	0
OFFICE EQUIP-FURNISH	0241	5,000	0	0	0	0	0
DP REPRODUCT OTH EQ	0242	3,780	0	0	0	0	0
REAL PROPERTY RENTAL	0251	0	0	0	0	0	0
EQUIPMENT RENTAL	0252	131,512	131,512	4,362	135,874	0	135,874
ASSESSMENTS	0253	0	0	0	0	0	0
PAYMENTS	0255	0	0	0	0	0	0
AWARDS-PRIZES	0271	0	0	0	0	0	0
MAINTENANCE CONTRACTS EXTERNAL	0292	1,318,494	1,318,494	722,771	2,041,265	0	2,041,265
SUPPORTIVE SERVICES	0200	1,779,518	1,770,738	812,127	2,582,865	0	2,582,865
CENTRAL-SER DATA-SER	0410	38,524	66,432	0	66,432	0	66,432
TELECOMMUNICATIONS	0420	36,486	30,266	0	30,266	0	30,266
EQUIPMENT SERVICE CENTER	0430	6,480	0	0	0	0	0
CENT. SERV./DATA SERV.	0400	81,490	96,698	0	96,698	0	96,698

DEPARTMENT STATE AUDITOR DIVISION ADMINISTRATION UNIT ADMINISTRATION		Wyoming On Line Financial Codes					
		DEPT 003	DIVISION 0100	UNIT 0101	FUND 001	APPR 101	
1 Description	Code	2 Base Budget	3 Standard Budget	4 Exception Request	5 Total Agency Request	6 Governor's Changes	7 Governor's Recommendation
PROFESSIONAL FEES	0901	8,886,285	8,907,544	1,180,715	10,088,259	0	10,088,259
SPECIAL PROJ & SVCS	0903	1,026,648	0	555,000	555,000	0	555,000
CONTRACTUAL SERVICES	0900	9,912,933	8,907,544	1,735,715	10,643,259	0	10,643,259
EXPENDITURE TOTALS		16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
SOURCE OF FUNDING							
GENERAL FUND	1001	16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
GENERAL FUND/BRA	G	16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
CONVENIENCE FEES- CREDIT CARDS	6286	0	0	0	0	0	0
SPECIAL REVENUE	R	0	0	0	0	0	0
TOTAL FUNDING		16,010,383	15,630,609	2,547,842	18,178,451	0	18,178,451
AUTHORIZED EMPLOYEES							
FULL TIME EMPLOYEE COUNT		26	26	0	26	0	26
AWEC EMPLOYEE COUNT		1	1	0	1	0	1
TOTAL AUTHORIZED EMPLOYEES		27	27	0	27	0	27

DEPARTMENT STATE AUDITOR							DEPT 003
DIVISION GF LICENSE REVENUE RECOUPMENT							DIV NO 1000
1	2	3	4	5	6	7	
Division	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
UNIT							
GF LICENSE REVENUE RECOUPMENT	1001	0	2,200,000	0	2,200,000	(500,000)	1,700,000
TOTAL BY UNIT		0	2,200,000	0	2,200,000	(500,000)	1,700,000
OBJECT SERIES							
NON-OPERATING EXPENDITURES	0800	0	2,200,000	0	2,200,000	(500,000)	1,700,000
TOTAL BY OBJECT SERIES		0	2,200,000	0	2,200,000	(500,000)	1,700,000
SOURCES OF FUNDING							
GENERAL FUND/BRA	G	0	2,200,000	0	2,200,000	(500,000)	1,700,000
TOTAL BY FUNDS		0	2,200,000	0	2,200,000	(500,000)	1,700,000

DEPARTMENT STATE AUDITOR

DIVISION GF LICENSE REVENUE RECOUPMENT

UNIT GF LICENSE REVENUE RECOUPMENT

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	1000	1001	001	100

SECTION 1. UNIT STATUTORY AUTHORITY

W.S. 23-1-504.

SECTION 2. STANDARD BUDGET REQUEST

Part A: Narrative

Chapter 180, 2007 Session laws, appropriated \$1,100,000 to be expended for the purpose of funding the free and reduced price license revenue recoupment program. W.S. 23-1-504(d) provides that the game and fish commission shall prepare a biennial budget request prior to each budget session of the legislature for the purpose of funding the free and reduced price license revenue recoupment program and shall submit the request to the Governor pursuant to W.S. 9-2-1010 through 9-2-1013.

The standard budget represents the estimated amount necessary (in effect, a placeholder) to support the program.

Part B: Revenue

Not applicable.

GOVERNOR'S RECOMMENDATION

Based on information provided by the Game and Fish Commission, I am recommending that the appropriation be reduced by \$500,000 (all general fund). The amount remaining reflects the Commission's more recent estimate with respect to anticipated losses for the biennium. Otherwise, I am recommending approval of the request.

SECTION 3. EXCEPTION BUDGET REQUEST

None submitted

DEPARTMENT STATE AUDITOR		Wyoming On Line Financial Codes					
DIVISION	GF LICENSE REVENUE RECOUPMENT	DEPT		DIVISION	UNIT	FUND	APPR
UNIT	GF LICENSE REVENUE RECOUPMENT	003		1000	1001	001	100
1		2	3	4	5	6	7
Description	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
EXPENDITURES							
FUND SHIFT - FISCAL	0881	0	2,200,000	0	2,200,000	(500,000)	1,700,000
NON-OPERATING EXPENDITURES	0800	0	2,200,000	0	2,200,000	(500,000)	1,700,000
EXPENDITURE TOTALS		0	2,200,000	0	2,200,000	(500,000)	1,700,000
SOURCE OF FUNDING							
GENERAL FUND	1001	0	2,200,000	0	2,200,000	(500,000)	1,700,000
GENERAL FUND/BRA	G	0	2,200,000	0	2,200,000	(500,000)	1,700,000
TOTAL FUNDING		0	2,200,000	0	2,200,000	(500,000)	1,700,000

DEPARTMENT STATE AUDITOR							DEPT 003
DIVISION STATE EMPLOYEE COMPENSATION							DIV NO 2500
1	2	3	4	5	6	7	
Division	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
UNIT							
INSURANCE	2501	3,350,000	6,700,000	0	6,700,000	0	6,700,000
MARKET ADJUSTMENTS	2504	10,581,781	0	0	0	0	0
TOTAL BY UNIT		13,931,781	6,700,000	0	6,700,000	0	6,700,000
OBJECT SERIES							
NON-OPERATING EXPENDITURES	0800	13,931,781	6,700,000	0	6,700,000	0	6,700,000
TOTAL BY OBJECT SERIES		13,931,781	6,700,000	0	6,700,000	0	6,700,000
SOURCES OF FUNDING							
GENERAL FUND/BRA	G	13,931,781	6,700,000	0	6,700,000	0	6,700,000
TOTAL BY FUNDS		13,931,781	6,700,000	0	6,700,000	0	6,700,000

DEPARTMENT STATE AUDITOR

DIVISION STATE EMPLOYEE COMPENSATION

UNIT INSURANCE

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	2500	2501	001	250

SECTION 1. UNIT STATUTORY AUTHORITY

Chapter 136, Section 303(h), Session Laws of Wyoming, 2007.

SECTION 2. STANDARD BUDGET REQUEST

Part A: Narrative

Chapter 136, Section 303(h), 2007 Session Laws, appropriated \$3,350,000 general fund to be expended for health insurance benefits for Executive, Legislative and Judicial Branch retirees, including retirees of the University of Wyoming and the community colleges who participate in the state employees and officials group health insurance plan. Payments to the plan on behalf of eligible retirees shall be made monthly at the rate on \$11.50 per year of service up to a maximum of 30 years of service for those retirees who are not Medicare eligible, and at the rate of \$5.75 per year of service up to a maximum of 30 years of service for those retirees who are Medicare eligible.

The standard budget represents the estimated amount necessary to support those payments for those eligible individuals that are retired, or are expected to retire, through the 2007-2008 biennium.

Part B: Revenue

Not applicable.

GOVERNOR'S RECOMMENDATION

I am recommending approval of the standard budget request as submitted. At present, it remains my opinion that the appropriate method to accommodate existing eligible retirees and those eligible individuals who are expected to retire through the 2007-2008 biennium is with a general fund appropriation. It is my expectation that the amount necessary to support this obligation will diminish over time.

As I indicated in the Chapter 17 Report submitted to the Joint Appropriations Committee on October 1st, 2007, I have included, based on preliminary estimates, an additional 1% employer paid benefit assessment applicable to all agencies to accommodate those eligible individuals who will retire beginning with the 2009-2010 biennium. I have done so to allow for the accumulation of contributions (general as well as federal and other funds) to support obligations accruing beginning with the 2009-2010 biennium. It is my expectation that these funds be deposited in an interest bearing account, the proceeds of which will be used to offset costs (in effect pre-funding future obligations).

DEPARTMENT STATE AUDITOR
DIVISION STATE EMPLOYEE COMPENSATION
UNIT INSURANCE

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	2500	2501	001	250

SECTION 3. EXCEPTION BUDGET REQUEST

None submitted.

DEPARTMENT STATE AUDITOR		Wyoming On Line Financial Codes					
DIVISION STATE EMPLOYEE COMPENSATION		DEPT		DIVISION	UNIT	FUND	APPR
UNIT INSURANCE		003		2500	2501	001	250
1		2	3	4	5	6	7
Description	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
EXPENDITURES							
FUND SHIFT - FISCAL	0881	3,350,000	6,700,000	0	6,700,000	0	6,700,000
NON-OPERATING EXPENDITURES	0800	3,350,000	6,700,000	0	6,700,000	0	6,700,000
EXPENDITURE TOTALS		3,350,000	6,700,000	0	6,700,000	0	6,700,000
SOURCE OF FUNDING							
GENERAL FUND	1001	3,350,000	6,700,000	0	6,700,000	0	6,700,000
GENERAL FUND/BRA	G	3,350,000	6,700,000	0	6,700,000	0	6,700,000
TOTAL FUNDING		3,350,000	6,700,000	0	6,700,000	0	6,700,000

DEPARTMENT STATE AUDITOR

DIVISION STATE EMPLOYEE COMPENSATION

UNIT MARKET ADJUSTMENTS

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	2500	2504	001	250

SECTION 1. UNIT STATUTORY AUTHORITY

Chapter 35, Section 303, Session Laws of Wyoming, 2006, and Chapter 136, Section 303, Session Laws of Wyoming, 2007.

SECTION 2. STANDARD BUDGET REQUEST

Part A: Narrative

Chapter 35, Section 303, Session Laws of Wyoming, 2006, and Chapter 136, Section 303, Session Laws of Wyoming, 2007, provided appropriations for compensation pools to be distributed for: (1) positions that are determined to be in such demand the agency does not have adequate funds to attract and retain qualified employees; and (2) to address existing market inequities for X band employees including at-will attorney positions.

No standard budget request is being submitted, however, the Governor is recommending that remaining funds from the pools be carried forward to provide continuing capabilities to address problems with respect to high demand and at-will positions.

Part B: Revenue

Not applicable.

GOVERNOR'S RECOMMENDATION

As indicated, I am recommending that the any appropriations remaining from those referenced above shall not revert on June 30, 2008, and are hereby appropriated to the State Auditor to be distributed to agencies after approval of the Human Resources Division and the Budget Division of the Department of Administration and Information.

SECTION 3. EXCEPTION BUDGET REQUEST

None submitted.

DEPARTMENT STATE AUDITOR		Wyoming On Line Financial Codes					
DIVISION STATE EMPLOYEE COMPENSATION		DEPT		DIVISION	UNIT	FUND	APPR
UNIT MARKET ADJUSTMENTS		003		2500	2504	001	250
1		2	3	4	5	6	7
Description	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
EXPENDITURES							
FUND SHIFT - FISCAL	0881	10,581,781	0	0	0	0	0
NON-OPERATING EXPENDITURES	0800	10,581,781	0	0	0	0	0
EXPENDITURE TOTALS		10,581,781	0	0	0	0	0
SOURCE OF FUNDING							
GENERAL FUND	1001	10,581,781	0	0	0	0	0
GENERAL FUND/BRA	G	10,581,781	0	0	0	0	0
TOTAL FUNDING		10,581,781	0	0	0	0	0

DEPARTMENT STATE AUDITOR							DEPT 003
DIVISION MEDICAID RESERVE							DIV NO 4800
1	2	3	4	5	6	7	
Division	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
UNIT							
MEDICAID RESERVE	4801	44,673,841	0	0	0	0	0
TOTAL BY UNIT		44,673,841	0	0	0	0	0
OBJECT SERIES							
NON-OPERATING EXPENDITURES	0800	44,673,841	0	0	0	0	0
TOTAL BY OBJECT SERIES		44,673,841	0	0	0	0	0
SOURCES OF FUNDING							
GENERAL FUND/BRA	G	44,673,841	0	0	0	0	0
TOTAL BY FUNDS		44,673,841	0	0	0	0	0

DEPARTMENT STATE AUDITOR
 DIVISION MEDICAID RESERVE
 UNIT MEDICAID RESERVE

Wyoming On Line Financial Codes				
DEPT	DIVISION	UNIT	FUND	APPR
003	4800	4801	001	400

SECTION 1. UNIT STATUTORY AUTHORITY

Chapter 35, Section 302, Session Laws of Wyoming, 2006, and Chapter 136, Section 302, Session Laws of Wyoming, 2007.

SECTION 2. STANDARD BUDGET REQUEST

Part A: Narrative

Chapter 35, Section 302, Session Laws of Wyoming, 2006, and Chapter 136, Section 302, Session Laws of Wyoming, 2007, provided appropriations for the purposes of: (1) providing a reserve for the State's share of all Medicaid programs; and (2) purchasing pandemic flu vaccines and antiviral medications.

No standard budget request is being submitted, however, the Governor is recommending that remaining funds from the reserves be carried forward to provide continuing capabilities with respect to providing a reserve for the State's share of all Medicaid programs and purchasing pandemic flu vaccines and antiviral medications.

Part B: Revenue

Not applicable.

GOVERNOR'S RECOMMENDATION

As indicated, I am recommending that the any appropriations remaining from those referenced above shall not revert on June 30, 2008, and are hereby appropriated to the State Auditor for the stated purposes.

SECTION 3. EXCEPTION BUDGET REQUEST

None submitted.

DEPARTMENT		Wyoming On Line Financial Codes					
DIVISION		DEPT		DIVISION		UNIT	
UNIT		003		4800		4801	
				FUND		APPR	
				001		400	
1		2	3	4	5	6	7
Description	Code	Base Budget	Standard Budget	Exception Request	Total Agency Request	Governor's Changes	Governor's Recommendation
EXPENDITURES							
FUND SHIFT - FISCAL	0881	44,673,841	0	0	0	0	0
NON-OPERATING EXPENDITURES	0800	44,673,841	0	0	0	0	0
EXPENDITURE TOTALS		44,673,841	0	0	0	0	0
SOURCE OF FUNDING							
STATE AUDITOR	6403	44,673,841	0	0	0	0	0
GENERAL FUND/BRA	G	44,673,841	0	0	0	0	0
TOTAL FUNDING		44,673,841	0	0	0	0	0