

Auditor of State Budget Reduction Impact

Appropriation	\$	1,399,414
Estimated reduction		0.05
Estimated Deappropriation Amount	\$	69,971
Salaries	\$	42,572
DP - Non-inventory	\$	6,000
Out of State Travel	\$	8,000
Outside Services - IDOP training	\$	5,400
Office Supplies	\$	8,000
	\$	69,972

Salaries:

IDOM's Schedule 9 does not take into account a recent retention bonus initiated to try to reduce turnover, any merit increases, promotions granted or any across the board increase that may affect the GAAP pay period.

The schedule indicates we are almost 4 FTE short of our budget, which could create a revenue shortfall if we can not accomplish our billable work.

Impact

If we have to reduce services, we would have to reduce work on appropriated audits.

DP - Non-inventory

Our FY2001 budget for IT was reduced by \$53,000, resulting in postponement of some upgrades that would improve our network security, stability and enhance auditor performance. However, some items in our current budget can be further postponed without violating any licensing agreements.

Impact

We will be vulnerable to potential security risks until certain upgrades can be implemented.

Out-of-State Travel

We can postpone some out-of-state travel related to continuing professional education. This will impact several of our Managers.

Impact

Most of our out-of-state travel pertains to training our staff in order to maintain their professional competence. The Iowa Accountancy Examining Board specifies training hours our certified staff must achieve and Government Auditing Standards, issued by the U.S. Comptroller General, also requires continuing professional education for governmental auditors. These requirements also apply to CPA firms performing governmental audits. The training will still have to be incurred before the end of the calendar year to meet state and federal requirements.

Outside Services - IDOP training

We have already contracted for one continuing professional education training course for our audit staff through IDOP. We can eliminate or postpone all other planned courses through IDOP until next fiscal year.

Impact

This will increase our training costs in the next fiscal year.

Office Supplies

The consolidation of staff and supplies to one location in the Lucas Building has provided opportunities for cost savings.

Impact

This is a one-time savings since we are using up supplies from other locations.