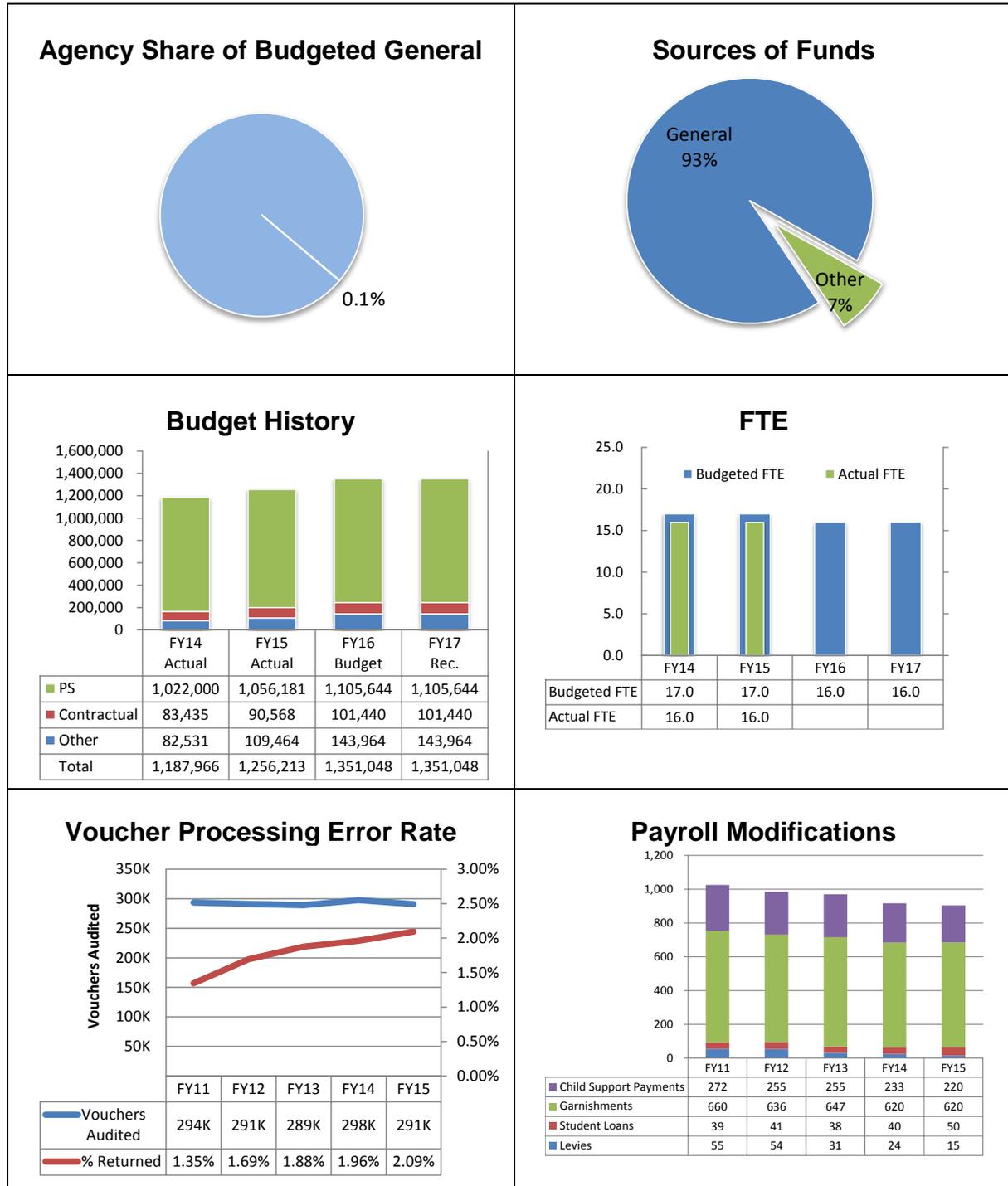


FY17 Budget Briefing

State Auditor

Information contained in this document is based on the Governor's original recommended FY17 budget.
This document may not correspond with the final FY17 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 FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	772,580	811,047	850,152	850,716	850,716	564	0.1%
Employee Benefits	249,421	245,135	255,492	254,928	254,928	(564)	(0.2%)
FTE	16.0	16.0	16.0	16.0	16.0	0.0	0.0%
Funding Types							
General	1,022,000	1,056,181	1,105,644	1,105,644	1,105,644	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0	0.0%
Total PS	1,022,000	1,056,181	1,105,644	1,105,644	1,105,644	0	0.0%
Operating Expenses							
Travel	4,142	6,807	11,244	11,244	11,244	0	0.0%
Contractual Services	83,435	90,568	101,440	101,440	101,440	0	0.0%
Supplies & Materials	19,802	20,956	26,387	26,387	26,387	0	0.0%
Grants And Subsidies	46,500	65,820	100,000	100,000	100,000	0	0.0%
Capital Outlay	12,088	15,881	6,333	6,333	6,333	0	0.0%
Funding Types							
General	119,466	134,211	145,404	145,404	145,404	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	46,500	65,820	100,000	100,000	100,000	0	0.0%
Total OE	165,966	200,031	245,404	245,404	245,404	0	0.0%
Totals							
Funding Types							
General	1,141,466	1,190,393	1,251,048	1,251,048	1,251,048	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	46,500	65,820	100,000	100,000	100,000	0	0.0%
Total	1,187,966	1,256,213	1,351,048	1,351,048	1,351,048	0	0.0%

Department Object Detail

Item	Actual FY2013	Actual FY2014	Actual FY2015	Budgeted FY2016	Governor Rec FY2017	Inc/Dec Over FY2016	% Change Over FY2016
PERSONAL SERVICES							
General	976,525	1,022,000	1,056,181	1,105,644	1,105,644	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0	0.0%
Total Personal Services	976,525	1,022,000	1,056,181	1,105,644	1,105,644	0	0.0%
FTE	15.6	16.0	16.0	16.0	16.0	0.0	0.0
TRAVEL							
General	9,016	4,142	6,807	11,244	11,244	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0	0.0%
Total Travel	9,016	4,142	6,807	11,244	11,244	0	0.0%
CONTRACTUAL SERVICES							
General	79,219	83,435	90,568	101,440	101,440	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0	0.0%
Total Contractual Services	79,219	83,435	90,568	101,440	101,440	0	0.0%
SUPPLIES AND MATERIALS							
General	24,032	19,802	20,956	26,387	26,387	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0	0.0%
Total Supplies and Materials	24,032	19,802	20,956	26,387	26,387	0	0.0%
GRANTS AND SUBSIDIES							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	46,908	46,500	65,820	100,000	100,000	0	0.0%
Total Grants and Subsidies	46,908	46,500	65,820	100,000	100,000	0	0.0%
CAPITAL OUTLAY							
General	3,719	12,088	15,881	6,333	6,333	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	0	0	0	0	0	0	0.0%
Total Capital Outlay	3,719	12,088	15,881	6,333	6,333	0	0.0%
TOTAL							
General	1,092,511	1,141,467	1,190,393	1,251,048	1,251,048	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other Funds	46,908	46,500	65,820	100,000	100,000	0	0.0%
Total All Funds	1,139,419	1,187,967	1,256,213	1,351,048	1,351,048	0	0.0%

Major Expansions and Reductions

The State Auditor requested minor adjustments within the Personal Services budget, and did not request any inflationary adjustments nor expansions

Governor's Proposed Pools for Salary Policy and Bureau Billings

For FY17, the Governor recommended the funding for the state employee compensation plan and bureau billings be placed in a pool in BFM to be distributed to each agency. *Therefore, individual agency personal services and contractual services budgets do not reflect budget increases for the compensation plan, bureau billings, or the decrease for health insurance.*

- Below are the estimated distributions for employee compensation for FY17. BFM will distribute dollars from the Pool after calculating the increase for salary policy and the decrease for employee health insurance. The distributed amount to the agency will be in addition to the agency's appropriated personal services budget.

FY17 Salary Policy Component	Object	General	Federal	Other	Total
Health Insurance	PS	(\$4,400)	\$0	\$0	(\$4,400)
Market Adjustment	PS	\$26,127	\$0	\$0	\$26,127
Movement Towards Market Value	PS	\$8,649	\$0	\$0	\$8,649
Health Insurance	OE	(\$206)	\$0	\$0	(\$206)
Market Adjustment	OE	\$739	\$0	\$0	\$739
Movement Towards Market Value	OE	\$667	\$0	\$0	\$667
	Total	\$31,576	\$0	\$0	\$31,576

- Recommended FY17 - 2.7% market adjustment for all permanent employees (except Career Bands); 0%-2.7% market adjustments for Career Bands; 2.5% movement toward market value for General Pay Structure and PACE; 0% to 4.5% pay for performance for Career Bands; decrease of \$275 per benefitted employee for the employer-paid portion of the health insurance plan.
 - Recommended FY16 – 2% market adjustment for all permanent employees (except Career Bands); 0%-6.6% market adjustments for Career Bands; 2.5% movement toward market value for General Pay Structure and PACE; 0% to 4.5% pay for performance for Career Bands; 0% health insurance.
- Below are the estimated increases to the bureau billings for FY17. The amount distributed from the BFM pool to the agency will be in addition to the agency's appropriated contractual services budget.

Estimated FY17	General	Federal	Other	Total
Bureau Billing Adjustments	250	-	-	250

Interagency Billings

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

Bureau Name	General	Federal	Other	Total
Bureau of Finance and Management	-	-	-	-
Bureau of Administration	56,894	-	-	56,894
Bureau of Information and Telecommunication	29,684	-	-	29,684
Bureau of Human Resources	-	-	-	-
Total FY15 Interagency Payments	86,578	-	-	86,578

Other Fund Balances

Company and Fund Name	Blue Book Page	Ending Cash and Investment Balance June 30			60-Month Average	Lowest Monthly Cash Balance in Past Five Years	
		FY2013	FY2014	FY2015	Cash Balance	Amount	Month
Company 3028 - Equal Access to Our Courts Fund	313	19,524	30,671	24,708	29,917	8	January 2015
Company 8000 - Agency Fund	314	7,084,864	7,278,643	7,595,678	N/A	N/A	N/A