



Fiscal Year 2025 Budget Request

The Fiscal Year 2025 Office of the State Auditor budget was prepared based on and conforms to all guidelines and common policies contained within the JBC Staff Director’s budget recommendation for Fiscal Year 2024-25, as approved by the Joint Budget Committee (JBC) on February 1, 2024. This Budget Request has been discussed with and approved by the Legislative Audit Committee.

The Office of the State Auditor’s General Fund request is \$12,910,944 for Fiscal Year 2024-25, which represents a 0.9 percent increase from the Fiscal Year 2023-24 base budget of \$12,801,739 and a Reappropriated Funds request, used to subsidize audit contracts for Fiscal Year 2024-25, of \$1,572,352, which reflects an overall increase of 4.9 percent from the Fiscal Year 2023-24 appropriation. This request represents an increase of \$182,651 in total funds (1.3 percent), which includes an increase of \$109,205 General Fund (0.9 percent) and an increase of \$73,446 Reappropriated Funds (4.9 percent) for Fiscal Year 2024-25. This request includes funding for 83.1 FTE.

State Auditor FY 2024-25 Budget Request Summary						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2023-24 Appropriation¹	\$ 13,450,645	\$ 11,951,739	\$ 0	\$ 1,498,906	\$ 0	81.1
HB 23-1295 HCPF Medicaid Provider Recovery Audit	850,000	850,000				
Total FY 2023-24 Appropriation	\$ 14,300,645	\$ 12,801,739	\$ 0	\$ 1,498,906	\$ 0	81.1
Changes from the FY 2023-24 Appropriation						
Salaries: Common Policy Across the Board Increase (3.0%)	\$214,830	\$214,830	\$ 0	\$ 0	\$ 0	0.0
Salaries: Common Policy Step-Like Increase (+3.7%)	272,243	272,243	0	0	0	0.0
Employee Benefits	325,851	325,851	0	0	0	0.0
Prior Year Legislation (HB23-1295) - HCPF Medicaid Provider Recovery Audit - FY24 Appropriation only	(850,000)	(850,000)	0	0	0	0.0
Decrease in General Operating Costs	(11,000)	(11,000)	0	0	0	0.0
Increase Travel Budget	15,000	15,000	0	0	0	0.0
Operational FTE	106,104	106,104	0	0	0	2.0
Audit Contract Payments	109,623	36,177	0	73,446	0	0.0
Total FY 2024-25 Request¹	\$ 14,483,296	\$ 12,910,944	\$ 0	\$ 1,572,352	\$ 0	83.1
\$ Change from prior year	\$ 182,651	\$ 109,205	\$ 0	\$ 73,446	\$ 0	2.0
% Change from prior year	1.3%	0.9%	n/a	4.9%	n/a	2.5%

¹ Appropriation and request include centrally appropriated amounts for PERA Amortization Equalization Disbursement and PERA Supplemental Amortization Equalization Disbursement.

Description of Incremental Changes

Employee Compensation and Benefits. The request includes an increase of \$812,924 General Fund based on the JBC's common policy for legislative branch staff agencies, which consists of a 3.0 percent across-the-board increase plus a 3.7 percent step-like increase. The combination of the across-the-board and the step-like increase is a 6.8 percent increase in salary funding. This amount also includes the employer contributions toward employee Health, Life, and Dental insurance coverage as follows:

- **Common Policy Across-the-Board Increase.** The request includes an increase of \$214,830 General Fund based on a 3.0 percent across the board salary increase in the JBC's common policy.
- **Common Policy Step-Like Increase.** The request includes an increase of \$272,243 in General Fund based on the 3.7 percent increase in the JBC's common policy.
- **Employee Benefits.** The request includes an increase of \$325,851 General Fund for adjustments to centrally appropriated line items, based on the JBC's common policy, for the following: employer contributions for health, life, and dental insurance; short-term disability insurance; and the Public Employees' Retirement Association (PERA) pension fund.

Prior Year Legislation. The request includes a reduction of \$850,000 related to prior year legislation with audit impacts (HB23-1295).

Net Decrease in General Operating Costs. The request includes a net decrease of \$11,000 in General Funds for general operating expenses. This amount includes a \$4,000 increase in dues and memberships to more closely reflect the increasing costs associated with professional memberships for staff, offset by decreases of \$10,000 in IT Hardware and \$5,000 in Other Operating to more closely align with our historical and anticipated general operating costs.

Travel. The request includes an increase of \$15,000 for the OSA's in-state and out-of-state travel budget to accommodate for increases in travel costs and the growing number of requests for OSA staff to present and train at national meetings and events. These funds are used to cover lodging and other travel expenses incurred by staff conducting audit site visits throughout the State as well as airfare, lodging and other travel expenses for staff to attend and present at out-of-state conferences.

Operations FTE. The request includes an increase of 2.0 FTE and \$106,104 General Fund (see Table 1) to add 2.0 FTE for the OSA's Operations Division, specifically 1.0 FTE for Human Resources and 1.0 FTE for Accounting/Payroll, due to increasing workloads and complexity of work required to be performed by these areas. As of Fiscal Year 2023-24, the OSA currently has a total of 4.0 FTE dedicated to its Human Resources and Accounting/Payroll functions – 2 FTE in each – which has been the same number of FTE since at least 2003. Over that 20-year period, the OSA's overall FTE has increased by approximately 10 percent and the State has implemented various new pay and leave programs with complicated processing, tracking, and other administrative requirements, including the Family Medical Leave Insurance (FAMLI) program, Paid Family Medical Leave (PFML) program, and short-term disability programs. The complexity of these programs, including how the programs interrelate, requires a significant amount of Human Resources and Accounting/Payroll staff's time for research and administration. The OSA's unique framework as the only legislative staff agency that has employees

subject to the State’s classified system for hiring and performance management compounds the complexity of Human Resources and Accounting/Payroll tasks. Further, the 2 staff within the OSA’s Human Resources function and 2 staff within the OSA’s Accounting/Payroll function are required, by necessity, to be generalists and experts on regulations, rules, and processes in their respective functional areas including, as applicable, staff recruitment, hiring, onboarding, benefits, payroll and payroll adjustments, leave, staff counseling, staff performance management, and staff training. Adding one FTE to each function will allow for better distribution of tasks.

Table 1. Requested Changes in the OSA General Operating Budget For Additional FTE		
Description	General Fund	Percent Change
Salaries for 1 FTE for HR and 1 FTE for Accounting/Payroll **	\$ 90,204	1.1%
IT Hardware/Software Maintenance	\$ 13,340	6.6%
Communications/Telephone/Fax	\$ 1,560	4.5%
Office Supplies	\$ 1,000	6.7%
Total FY24-25 General Operating Request for 2 Additional FTE	\$ 106,104	

** Includes Medicare and PERA (not AED and SAED)

Audit Contract Payments. The request includes an increase of \$109,623 for the contracting of audit work. The General Fund portion of the increase is \$36,177 and the Reappropriated portion is \$73,446. Funding for the Reappropriated Funds line is obtained from amounts billed for audits of programs supported by and reimbursed from reappropriated and federal funds, pursuant to Section 2-3-110, C.R.S. Spending authority from these reappropriated funds is limited by the actual audit billings.

Operating Budget Detail

The following table details the budget request figures for the Fiscal Year 2024-25 request along with comparable data for Fiscal Year 2022-23 and Fiscal Year 2023-24.

**OFFICE OF THE STATE AUDITOR BUDGET REQUEST
FISCAL YEAR 2024-25**

	FY 2022 - 23 Actual Expenditures		FY 2023- 24 Budget Appropriation		FY 2024 - 25 Budget Base Request		% Increase (Decrease) Over FY2022-23 Appropriation
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	
GENERAL FUND							
PERSONAL SERVICES							
Salaries:	\$ 6,053,587	79.0	\$ 7,255,705	79	\$ 7,811,998	81.1	
Common Policy Across the Board Increase (FY23 increase 3%, FY24 5%, FY25 3%)	198,643		332,553		214,830		
Common Policy Step-Like Increase (FY25 3.7%)					272,243		
HB 20-1426 - Disaster Emergency Fund Audit			6,755	0.1			
HB 22-1119 - Colorado False Claims Act	13,568		12,826				
Adjustment for Increase in Classified Salary Pay Ranges			37,307				
Additional FTE for Local Government			136,620	2			
Additional FTE for Operations					90,204	2.0	
Subtotal -Salaries	\$ 6,265,798	79.0	\$ 7,781,766	81.1	\$ 8,389,275	83.1	7.8%
Associated Costs:							
PERA Employer Share (FY23 11.5%, FY24 11.57%, FY25 11.57%)	\$ 707,670		\$ 900,350		\$ 970,639		
Health, Dental, and Life	679,423		1,109,893		1,227,000		
STD (FY23 0.16%, FY24 0.15%, FY25 .15%)	9,008		11,673		12,584		
Medicare (1.45%)	89,179		112,836		121,644		
FAMLI (.45%)					37,752		
Subtotal - Associated Costs	\$ 1,485,280		\$ 2,134,752		\$ 2,369,619		
Total Personal Services - Salaries and Associated Costs	\$ 7,751,078	79.0	\$ 9,916,518	81.1	\$ 10,758,894	83.1	8.5%
Personal Services - Contracts	534,287		738,305		774,482		4.9%
TOTAL PERSONAL SERVICES	\$ 8,285,365	79.0	\$ 10,654,823	81.1	\$ 11,533,376	83.1	8.2%
OPERATING EXPENDITURES							
Equip Maintenance/Repair/Rental	\$ 17,375		\$ 16,300		\$ 16,300		
IT Hardware/Software Maint	164,190		203,340		206,680		
Communications/Telephone/Fax	33,782		34,900		36,460		
Other Purchased Services	2,459		2,500		2,500		
Books/Periodicals/Subscriptions	13,453		23,000		23,000		
Office Supplies	10,670		15,000		16,000		
Postage	8,887		12,000		12,000		
Printing/ Reproduction							
Supplies/Services	11,936		12,000		12,000		
Noncapitalized Equipment/Furniture			6,000		6,000		
Wellness Program	9,314		10,000		10,000		
Other Operating Expenses	61,793		90,000		85,000		
Dues and Memberships	14,487		16,000		20,000		
Educational Expenses	25,295		52,000		52,000		
Building Maintenance/Construction	700		700		700		
Subtotal - Operating Expenses	\$ 374,341		\$ 493,740		\$ 498,640		1.0%
TRAVEL							
Travel In-State	\$ 5,738		\$ 10,000		\$ 15,000		
Travel Out-of-State	5,017		15,000		25,000		
Subtotal - Travel	\$ 10,755		\$ 25,000		\$ 40,000		60.0%
Subtotal General Funds	\$ 8,670,461		\$ 11,173,563		\$ 12,072,016		8.0%

	FY 2022 - 23 Actual Expenditures		FY 2023- 24 Budget Appropriation		FY 2024 - 25 Budget Base Request		% Increase (Decrease) Over FY2022-23 Appropriation
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	
ADDITIONAL GENERAL FUND APPROPRIATION							
Evaluation of Statewide Systems Used to Measure Performance of Elementary and Secondary Public Education - HB21-1294	83,899						
HCPF Medicaid Provider Recovery Audit - HB23-1295			850,000				
TOTAL GENERAL FUNDS	\$ 8,754,360		\$ 12,023,563		\$ 12,072,016		0.4%
REAPPROPRIATED FUNDS							
Reappropriated Contract Expenses	1,394,331		1,498,906		1,572,352		
TOTAL REAPPROPRIATED FUNDS	\$ 1,394,331		\$ 1,498,906		\$ 1,572,352		4.9%
TOTAL GENERAL AND REAPPROPRIATED FUNDS	\$ 10,148,691		\$ 13,522,469		\$ 13,644,368		0.9%
PERA AED (5%)	306,695		389,088		419,464		
PERA SAED (5%)	306,695		389,088		419,464		
GRAND TOTAL	\$ 10,762,081	79.0	\$ 14,300,645	81.1	\$ 14,483,296	83.1	1.3%



Office of the State Auditor
Organizational Structure Functional Responsibilities with Funded FTE Count
Fiscal Year 2024-25

