

**Legislative Audit Division  
Program 28  
2025 Biennium Budget Request  
For Approval by LAC October, 2022**

PG 28 Budget Request, 2021 Bien	2023 Budget Starting Point	2024					2024 Total Budget Request	2025					2025 Total Budget Request
		2024 SWPL Change Package	2024 PL Change Package	2024 New Proposal NP1	2024 New Proposal NP2	2024 New Proposal NP3		2025 SWPL Change Package	2025 PL Change Package	2025 New Proposal NP1	2025 New Proposal NP2	2025 New Proposal NP3	
61100 Salaries (Base)	3,588,352	212,192		42,553		1	3,843,098	226,810		42,553		1	3,857,716
61133 Salaries (Longevity)	-	126,835					126,835	142,100					142,100
61400 Benefits (incl Taxes)	1,279,969	76,958		7,362			1,364,289	82,170		7,362			1,369,501
61000 Personal Services	4,868,321	415,985	-	49,915	-	1	5,334,222	451,080	-	49,915	-	1	5,369,317
62000 Operating Expenses	249,391	19,792	31,757				300,940	21,025	(9,000)				261,416
<b>Total Expenditures</b>	<b>\$ 5,117,712</b>	<b>\$ 435,777</b>	<b>\$ 31,757</b>	<b>\$ 49,915</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 5,635,162</b>	<b>\$ 472,105</b>	<b>\$ (9,000)</b>	<b>\$ 49,915</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 5,630,733</b>
01 GENERAL FUND	2,964,400	252,751	18,419	28,951	126,791	1	3,391,313	273,821	(5,220)	28,951	126,692	1	3,388,644
02 STATE SPECIAL REV. FUNDS	2,153,312	183,026	13,338	20,964	(126,791)		2,243,849	198,284	(3,780)	20,964	(126,692)		2,242,089
<b>Total Funding</b>	<b>\$ 5,117,712</b>	<b>\$ 435,777</b>	<b>\$ 31,757</b>	<b>\$ 49,915</b>	<b>\$ 0</b>	<b>\$ 1</b>	<b>\$ 5,635,162</b>	<b>\$ 472,105</b>	<b>\$ (9,000)</b>	<b>\$ 49,915</b>	<b>\$ 0</b>	<b>\$ 1</b>	<b>\$ 5,630,733</b>
0 FULL TIME EQUIVALENT	52.75						52.75						52.75

**PL Change Package (Operating):**

- 1) FY 2024 Cyclical Adj. - Leg Branch Audit (Contr Svcs) not in 2023 Base
- 2) FY 24-25 Actuarial Services price increase
- 3) FY 2025 Peer Review Cyclical Adjustment
- 4) FY 24-25 Training Base Error Adjustment
- 5) FY 24-25 Training - make OTO funding permanent
- 6) FY 24-25 Software Licensing Adjustment
- 7) FY 24-25 Professional Certification Support

\$ 20,757
\$ 3,000
\$ -
\$ (20,000)
\$ 20,000
\$ 3,000
\$ 5,000

\$ -
\$ 3,000
\$ (20,000)
\$ (20,000)
\$ 20,000
\$ 3,000
\$ 5,000

**New Proposal NP 1 - Position Reclassification**

This new proposal is for both fiscal years of the biennium. We propose reclassification of an existing Associate Auditor (entry level) position to provide for a Deputy Legislative Auditor for Technology and Data Analytics. Deputy-level leadership for our Information Systems audit team was a recommendation identified in a consulting report provided to the Legislative Audit Committee in the current biennium and will be part of a broader effort to reorient the division to a more risk-based audit model. This new proposal adds \$49,915 in each fiscal year in personal services.

**New Proposal NP 2 - Financial Audit Model Funding**

This new proposal is for both fiscal years of the biennium. In conjunction with ongoing consideration of changes to the LAD financial audit model, we propose discontinuing regular financial-compliance audits at 8 small agencies and also outsourcing the annual financial audit of the Montana State Fund. Because we would no longer perform or bill for this work, a reduction in state special revenue and an increase in general fund authority should be recognized in the LAD budget. For the small agencies, agency audit appropriations in HB 2 would be eliminated, resulting in a corresponding shift of general fund authority to the legislative branch, which will be directed towards risk-based audits.

**New Proposal NP 3 - Legislative Branch Staff Stabilization**

Growth in market pay rates for professional and business services occupations has exceeded inflation and statewide wage growth. The Branch requests a base pay adjustment to accommodate this change in the economic environment. In preparation for session, additional market research will be conducted this fall to determine appropriate wages for the 2025 Biennia by division. This research will include performance-based pay as a factor in determining appropriate pay rates relative to the market.