

FY 2027 Budget Performance Review 30000 - State Auditor & Inspector						
Version	Original	Date submitted	10/1/2025			
Lead Administrator: Cindy Byrd, State Auditor & Inspector		Lead Financial Officer: Lisa Hedges, Deputy State Auditor				
Agency Mission						
Make government accountable.						
Division and Program Descriptions						
Note: Please define any acronyms used in program descriptions.						
16 - Administrative Services						
Internal agency operations include accounting, budget, human capital management, policy, and general administration.						
26 - Local Gov't Services						
Local Government Services includes the County Audit Division which serves county elected officials and residents through an independent audit of receipt and disbursement of county funds. This division also audits Emergency Medical Service districts, District Attorney offices, and conducts county treasurer reviews to ensure available revenues reconcile with stated account balances. The division also performs performance audits of the 8 Circuit Engineering Districts.						
County Management Services advises county officers on matters regarding procedural and technical issues related to accounting and budget procedures.						
Investigative Audit Services/Forensic Audits assists the Governor, Attorney General, District Attorney's, governing bodies, and citizens (by petition) by conducting investigative audits of public entities in which fraudulent activities, waste or abuse of public assets is suspected or alleged to have occurred.						
36 - State Agency Services						
State Agency Services consists of the following programs:						
State Agency Audit Division audits the State of Oklahoma's Annual Comprehensive Financial Report (ACFR), which is instrumental to support the state's bond ratings and conducts the Single Audit to meet mandates for the receipt of federal funds.						
Performance Audit Division audits state agencies to improve operations and aid those responsible for initiating corrective action.						
Information Services conduct IT audits and provide support for statewide audits.						
EGID audit services provides oversight for the state employees' insurance group.						
46 - Special Services						
Special Services consists of the following programs:						
Quality Assurance and Audit Review, Continuing Professional Education, Horse Racing and Gaming Audit Services, Board of Equalization Support, Oklahoma Natural Resources Revenue Division, and Pension Commission Support.						
FY'26 Budgeted Department Funding By Source						
Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>
1600001	Administration	\$232,845		\$135,263		\$368,108
1600002	Support Services	\$522,354		\$754,996		\$1,277,350
2600201	County Management Services	\$134,940		\$5,200		\$140,140
2600202	County Audit Division	\$947,725		\$5,473,294		\$6,421,019
2600203	Special Investigative Unit	\$880,947		\$165,308		\$1,046,255
2600205	DA-EMS Audit Division	\$222,168		\$492,577		\$714,745
3600301	State Agency Audit Division	\$972,698		\$3,226,582		\$4,199,280
3600302	Performance Audit Division	\$629,503		\$575,550		\$1,205,053
3600303	Information Services Division	\$376,366		\$1,442,735		\$1,819,101
3600304	EGID Audit Division			\$175,932		\$175,932
4600401	Quality Assurance	\$150,279		\$167,333		\$317,612
4600402	Oklahoma Natural Resources Revenue			\$517,493		\$517,493
4600403	Horse Racing/Gaming			\$551,453		\$551,453
4600404	Continuing Professional Education	\$113,041		\$53,810		\$166,851
4600405	Board of Equalization/Public Trust	\$230,449		\$22,806		\$253,255
4600406	Pension Trust			\$145,000		\$145,000
<b>Total</b>		<b>\$5,413,315</b>	<b>\$0</b>	<b>\$13,905,332</b>	<b>\$0</b>	<b>\$19,318,647</b>
1. Please describe source of Local funding not included in other categories:						
2. Please describe source(s) and % of total of "Other" funding if applicable for each department:						
Balances of Appropriated Funds from Prior Fiscal Years						
3-digit Class Fund #	Class Fund Name	GA Bill # and Section #	Fiscal Year of Original Appropriation	Original Appropriation Amount (\$)	Total Expended Amount as of 8/31/2025 (\$)	Balance as of 8/31/2025 (\$)
195		SB1125, Section 48	FY25	\$4,730,315	\$3,283,967	\$1,446,348
						\$0
						\$0
						\$0
						\$0
<i>Total remaining prior year appropriation balance:</i>						<b>\$1,446,348</b>
Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 194, 195). Do not report carryover class funds separately. Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.						
What changes did the agency make between FY'25 and FY'26?						
<p>1.) Are there any services no longer provided because of budget cuts?</p> <p>No. All services are mandated by statute or the constitution however, reduced appropriations could delay delivery of audit services to counties and state entities.</p> <p>2.) What services are provided at a higher cost to the user?</p> <p>Our billing rate increased \$3 per hour for all auditors.</p> <p>3.) What services are still provided but with a slower response rate?</p> <p>Due to numerous retirements loss of institutional knowledge, skills, and experience means constantly training new hires and a slower response rates.</p> <p>4.) Did the agency provide any pay raises that were not legislatively/statutorily required?</p> <p>No.</p>						
Appropriation Increase Review						
		Appropriation Increases (Additional to Agency Base Appropriation)		Expenditures		
Appropriation Increase Purpose	FY 2024	FY 2025	Total Amount Received FY 2024-2025	Total Expenditure of Increase as of 6/30/2025	If funds have not been spent, please explain why.	
Increase salaries	\$0	\$250,000	\$250,000 \$0 \$0 \$0 \$0 \$0 \$0	\$250,000		
<i>Total:</i>	<b>\$0</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>		

List appropriation increases that the agency has received in the prior two years. List amounts received in each year. Include PREP, but not ARPA/SRF, appropriations.

FY'27 Requested Funding By Department and Source							
Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
1600001	Administration	\$23,845	\$0	\$135,263	\$0	\$368,108	0.00%
1600002	Support Services	\$522,354	\$0	\$754,996	\$0	\$1,277,350	0.00%
2600201	County Management Services	\$134,940	\$0	\$5,200	\$0	\$140,140	0.00%
2600202	County Audit Division	\$947,725	\$0	\$5,473,294	\$0	\$6,421,019	0.00%
2600203	Special Investigative Unit	\$1,130,947	\$0	\$165,308	\$0	\$1,296,255	23.89%
2600205	DA-EMS Audit Division	\$222,168	\$0	\$492,577	\$0	\$714,745	0.00%
3600301	State Agency Audit Division	\$972,698	\$0	\$3,226,582	\$0	\$4,199,280	0.00%
3600302	Performance Audit Division	\$629,503	\$0	\$575,550	\$0	\$1,205,053	0.00%
3600303	Information Services Division	\$626,366	\$0	\$1,442,735	\$0	\$2,069,101	13.74%
3600304	EGID Audit Division	\$0	\$0	\$175,932	\$0	\$175,932	0.00%
4600401	Quality Assurance	\$150,279	\$0	\$167,333	\$0	\$317,612	0.00%
4600402	Oklahoma Natural Resources Revenue	\$0	\$0	\$517,493	\$0	\$517,493	0.00%
4600403	Horse Racing/Gaming	\$0	\$0	\$551,453	\$0	\$551,453	0.00%
4600404	Continuing Professional Education	\$113,041	\$0	\$53,810	\$0	\$166,851	0.00%
4600405	Board of Equalization/Public Trust	\$230,449	\$0	\$22,806	\$0	\$253,255	0.00%
4600406	Pension Trust	\$0	\$0	\$145,000	\$0	\$145,000	0.00%
<b>Total</b>		<b>\$5,913,315</b>	<b>\$0</b>	<b>\$13,905,332</b>	<b>\$0</b>	<b>\$19,818,647</b>	<b>2.59%</b>

1. Please describe source(s) and % of total of "Other" funding for each department:

FY'27 Top Five Incremental Appropriated Funding Increase Requests						
Request by Priority	Request Description	Is this a Supplemental Request? (Yes/No)	Timeframe (One-Time or Recurring)	Appropriation Request Increase Amount (\$)		
Request 1:	Salaries for task force to remediate issues within municipalities	No	Recurring	\$250,000		
Request 2:	To purchase AI and Analytical software	No	Recurring	\$250,000		
Request 3:						
Request 4:						
Request 5:						
<b>Top Five Request Subtotal:</b>				<b>\$500,000</b>		
<b>Total Increase above FY'26 Budget (including all requests)</b>				<b>\$500,000</b>		
<b>Difference between Top Five requests and total requests:</b>				<b>\$0</b>		

\* Capital requests in the table above should be listed in the next table.

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?			
Description of requested increase in order of priority	Total Project Cost (\$)	Needed State Funding for Project (\$)	Submitted to LRCPC? (Yes/No)
Priority 1 N/A			
Priority 2			
Priority 3			

Does the agency has any costs associated with the Pathfinder retirement system and federal employees? If so, please describe the impact.					
Defined benefit cost not reimbursable by Federal ONRR FY2021 \$3,919 FY2022 \$4,085 FY2023 \$1,605 FY2024 \$4,150 FY2025 \$2,716					
How would the agency be affected by receiving the same appropriation for FY'27 as was received in FY'26? (Flat / 0% change)					
Service will be provided at approximately same level.					

How would the agency handle a 2% appropriation reduction in FY'27?			
A reduction in operating budgets will lead to reduced services to citizens of the state. SA&I would have to prioritize which deadlines would significantly delay investigative audits and special audit requests.			

Is the agency seeking any fee increases for FY'27?			
Description of requested increase in order of priority	Fee Increase Request (\$)	Statutory change required? (Yes/No)	
Increase 1 N/A			
Increase 2			
Increase 3			

Federal Funds						
CFDA	Federal Program Name	Agency Dept. #	FY 26 budget (\$)	FY 25 actuals (\$)	FY 24 actuals (\$)	FY 23 actuals (\$)
15.427	ONRR -Oklahoma Natural Resources Revenue	4600402	517,493	550,301	535,644	486,534

Federal Government Impact						
1.) How much federal money received by the agency is tied to a mandate by the Federal Government?						
This is a contract with the federal government to conduct mineral royalty audits on federal lands in Oklahoma.						
2.) Are any of those funds inadequate to pay for the federal mandate?						
N/A						
3.) What would the consequences be of ending all of the federal funded programs for your agency?						
If we lost this contract, those employees would need to be relocated from their division to another.						
4.) How will your agency be affected by federal budget cuts in the coming fiscal year?						
This is a contract amount.						
5.) Has the agency requested any additional federal earmarks or increases?						
N/A						

FY 2026 Budgeted FTE							
Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
16	Administration	4	7	3	5	3	
26	Local Gov't Services	29	44	0.25	45.75	25	2
36	State Agency Services	21	29.5	0.5	32	14	4
46	Special Services	7	8	7	6	6	2
<b>Total</b>		<b>61</b>	<b>88.5</b>	<b>0.75</b>	<b>87.75</b>	<b>50</b>	<b>11</b>

FTE History by Fiscal Year							
Division #	Division Name	FY 2026 Budgeted	FY 2026 YTD	FY 2025	FY 2024	FY 2023	FY 2017
16 Administration		11.0	10.0	9.0	8.0	6.0	7.0
26 Local Gov't Services		73.0	60.0	60.00	59.00	62.25	57.0
36 State Agency Services		50.5	38.0	34.00	35.00	37.25	40.0
46 Special Services		15.0	12.0	13.0	13.0	10.0	11.0
<b>Total</b>		<b>149.5</b>	<b>120.0</b>	<b>116.0</b>	<b>115.0</b>	<b>115.5</b>	<b>115.0</b>

Performance Measure Review					
Program Name	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Turnover rate percent for professional audit staff. Goal is to reduce turnover rate to 12% in 2026	13.40%	12.00%	22.80%	16.00%	17.00%
Percent of staff auditors that maintain 73.5% of billable hours - Goal is 100%	100%	100%	100%	100%	100%
Percent of audit working papers and reports that comply with Government Auditing Standards which are used to measure quality.	100%	100%	100%	100%	100%
Staff Auditor salaries compared to the regional average of State Audit Organizations staff auditor salaries as a percentage.(Adjusted using the COLA index) (Retain staff = high productivity and quality of reports)	73.20%	73.00%	79.50%	79.90%	79.40%
Percent of audit staff with at least two years' experience - Goal is 90%	79.21%	80.00%	72.83%	80.00%	82.80%
Percentage of professional audit staff with a degree and/or professional certification - Goal is 90%	91.09%	81.63%	90.00%	93.00%	89.00%

Revolving Funds (200 Series Funds)			
Fund: Fund Number, Fund Name	FY'23-25 Avg. Revenues	FY'23-25 Avg. Expenditures	June 2025 Balance
Revolving fund 20000 & 21500	\$8,743,626	\$8,591,819	\$1,066,331

FY 2026 Current Employee Telework Summary						
List each agency physical location (not division), then report the number of employees associated with that location in the teleworking categories indicated. Use "No specified location" to account for remote employees not associated with a site. Use actual current employees (headcount), not budgeted or actual FTE.			Full-time and Part-time Employees (#)			
Agency Location / Address	City	County	Onsite (5 days onsite, rarely remote)	Hybrid (2-4 days onsite weekly)	Remote (1 day or less weekly onsite)	Total Employees
State Capitol, Room 123	OKC	OK	7	11	1	19
3020 N. Stiles	OKC	OK	4	31	1	36
5005 N. Lincoln Blvd., room 201	OKC	OK	7			7
907 S. Detroit, Suite 1020	Tulsa	Tulsa	10		2	12
1000 E. 10th Street, Suite 221	Ada	Pontotoc	17			17
1401 Lera Dr., Suite 9	Weatherford	Custer	11			11
3901 W. Beech	Duncan	Stephens	9			9
DOT - 200 NE 21st St.	OKC	OK		3		3
No Specified Location					3	3
4345 N Lincoln, suite 100	OKC	OK		1		1
1 Remington Place (Remington Park)	OKC	OK		2		2
						0
Total Agency Employees						120