

Fiscal Estimate Narratives

WHS 1/27/2012

LRB Number	11-3832/1	Introduction Number	SB-385	Estimate Type	Original
Description State agency fiscal and operations reports and quarterly hearings of the Joint Legislative Audit Committee					

Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 385 would require state agencies to submit reports on their fiscal condition and operations to the Joint Legislative Audit Committee (JLAC) each year. Agencies will be given at least 15 business days' notice of their scheduled appearance before the committee. The report would include the agency's fiscal condition and operational health, balance sheets, an accounting of all expenditures exceeding \$100, the number of persons employed by the agency, aggregate payroll data, a list of all programs administered by the agency with an explanation of each program and an identification of the statutory provision requiring the program, and data relating to employee salary growth and benefit costs.

Costs to compile Wisconsin Historical Society (WHS) employee, payroll, and salary growth and benefit costs data, as well as the program information outlined in the bill, can be absorbed by the agency. However, the accounting of expenditures exceeding \$100 and comprehensive balance sheets are not readily available at present. With regard to these two requirements of the bill:

(1) At the present time, the Department of Administration is designing and constructing a searchable transparency website that will record purchasing data for all State agencies. If this new website is operational at the time WHS would be required to report to JLAC, the agency could provide the required expenditure information at no additional cost or staff resources. If the information was required prior to the completion of the transparency website, preparation of the expenditure information would increase the workload by an unknown number of hours and FTE. WHS would not be able to absorb the associated costs without reallocating resources that would impact other required work.

(2) Currently, WHS does not prepare an annual balance sheet covering all of the funds it uses. Although an annual balance report that meets Generally Accepted Accounting Principles (GAAP) requirements is completed for some funds, no balance sheet is prepared for Fund 100 and State tax revenue appropriations. If the proposed bill were to impose a new requirement and/or method of accounting for agency expenditures, it would present an administrative burden on the agency that could not be absorbed by existing staff without an impact on other programs.

Long-Range Fiscal Implications