

# Department of Audit

## Mission and philosophy

To protect the public interest, the department will audit and regulate to promote compliance with state revenue collections, financial and banking statutes, and governmental accountability.

## Results of outcomes

### Increase revenue compliance

The department completed 439 audits at a direct cost of \$2.6 million and assessed 45.8 million in revenue, which equates to approximately \$17.62 for every dollar spent auditing. The objective is to increase compliance with state revenue statutes. The department audited \$546.3 million of state revenue and found 92.3 percent of revenue due was remitted. Without this audit function, the remaining 7.7 percent would not be collected. The Mineral Audit Division completed 55 audits and assessed \$35.3 million. The Excise Tax Division completed 384 audits and assessed 10.5 million. The Department of Audit collected \$8.1 million from previous audits. The Mineral Audit Division collected \$6.0 million and the Excise Tax Division collected \$2.1 million.

### Ensure compliance with financial entities

The Division of Banking ensures all licensed/chartered financial entities are in compliance with laws. The goal of maintaining financial institutions' risk rating of 1.5 to 2.0 was exceeded. The achievement of a 1 rating, on a scale of 1 to 5, indicates a financial institution is strong healthy and serving the financial needs of our communities. The overall average risk rating achieved by Wyoming's state chartered banks as of June 30, 2004, was 1.30.

### Ensure accuracy of government reporting

The strategy to promote state agency compliance with applicable performance statutes is measured by the accuracy of the reported performance measures. During FY 04, the division audited 252 agency outcomes and verified their accuracy at 50.8 percent.

### Ensure timely reporting

The strategy to promote compliance with local government accounting and reporting requirements is to track the percentage of required reports that are received within the statutory time frame. During FY 04, the Department of Audit received 2,017 various reports from local governments.

#### General information

Michael Geesey, Director

#### Agency contact

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#### Other locations

Casper, one Mineral Audit Division Field Inspector  
Evanston, one Excise Tax Division Audit Position  
Sheridan, one Excise Tax Division Audit Position and one Mineral Audit Division Field Inspector

#### Year established or reorganized

1989

#### Statutory references

Title 9: W.S. 9-1-403: W.S. 9-1-507 through 9-1-513: W.S. 9-2-2003: Title 13: W.S. 16-4-101 through 16-4-124: W.S. 17-16-1631: W.S. 21-2-203: W.S. 28-1-115: W.S. 31-18-201: W.S. 33-11-101 through 33-11-116: W.S. 35-1-627: Title 39: W.S. 39-11-102: W.S. 39-15-102: W.S. 39-16-102: W.S. 39-17-102: W.S. 39-17-208: W.S. 39-17-202: W.S. 39-18-107: W.S. 40-14-101 through 40-14-702: W.S. 40-19-101 through 40-19-120: and W.S. 40-22-101 through 40-22-129.

#### Authorized personnel

103 full time

#### Organizational structure

Administration Division  
Division of Banking  
Excise Tax Division  
Mineral Audit Division  
Public Funds Division

#### Clients served

The Administration Division serves the Department of Audit. Clients served by the Division of Banking are providers and users of financial services. The Excise Tax Division serves the general public, the Departments of Revenue and Transportation, the Secretary of State, International Registration Plan, Inc., International Fuel Tax Association, Inc., Wyoming Vendors and Consumers, U.S. States and Canadian provinces. The Mineral Audit Division serves the general public, the Federal government, the Department of Revenue, Office of State Land and Investments, mineral taxpayers, active state and federal lessees. The Public Funds Division serves the general public, state and local government entities.

#### Budget information

General Funds .....	\$4,865,262
Federal Funds .....	1,453,819
Trust and Agency Funds	
Other .....	\$1,084,960
<b>Total .....</b>	<b>\$7,404,041</b>

Of these reports, 77.6 percent were received on or before the due date. These reports include audits, census reports, self-audit procedures, proof-of-cash and other required reports depending on the type of entity and size. Public Funds increased efforts to obtain reports from local governments even if they are late. This percentage is expected to increase due to recent legislation.

### Additional services provided

In addition to the regular work completed during the year, Public Funds worked on two possible embezzlement cases, a special report for the Department of Education on Vocational Education and four other requests made by state agency heads for specific services.

The school finance section will be auditing the Wyoming Funding Models for each of the 48 school districts and has completed nine audits and the Wyoming Department of Education during the FYE June 30, 2004. We audited \$179,982,715 of the Foundation Guarantee distributed to Wyoming School Districts, which represents 25% of the total guarantee. This has resulted in the Wyoming Department of Education requesting Foundation Guarantee refunds of \$138,014.

### Strategic plan changes

The Department of Audit made no changes to its strategic plan for fiscal year 2005.

## Boards and Commissions

### State Banking Board

Agency to which your group reports  
Department of Audit, Division of Banking

Number of members  
Seven

Meeting frequency  
Quarterly

### Collection Agency Board

Agency to which your group reports  
Department of Audit, Division of Banking

Number of members  
Three

Meeting frequency  
Monthly

## Department of Audit organization chart

