



## State Fiscal Note for Bill Number: 2015-H-5326

**Date of State Budget Office Approval:**

**Date Requested:** Thursday, March 05, 2015

**Date Due:** Sunday, March 15, 2015

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2015	\$0	FY 2015	\$0
FY 2016	Indeterminate	FY 2016	Indeterminate
FY 2017	Indeterminate	FY 2017	Indeterminate

**Explanation by State Budget Office:**

This bill would establish an Inspector General's office as an independent administrative agency whose purpose would be to prevent and detect fraud, waste, abuse and mismanagement of the expenditure of public funds. The office would have purview over federal, state, restricted receipts and other funds. The office would not be limited to executive branch agencies only, but would include the General Assembly, the Governor's cabinet and non-cabinet agencies, and the courts. The legislation also identifies public funds as relating to all state, federal and local funds, either appropriated, non-appropriated, or given under right of grant.

**Comments on Sources of Funds:**

The legislation identifies that the source of financing for the office would be annual appropriation by the Legislature. No reference is made to other sources of financing, so it is assumed that the Office would be financed solely with general revenue.

**Summary of Facts and Assumptions:**

As there is no specific structure or size of the office identified in the bill, other similar offices can be used as a reference. For example, the Office of the Auditor General has an authorized FTE position cap of 45.4, with a FY 2015 appropriation of approximately \$5.3 million. The Bureau of Audits, within the Department of Administration, however, has a staff of 12.0 FTE positions and a FY 2015 appropriation of \$1.4 million. A new Office of Inspector General would likely fall somewhere in between these two offices in terms of size and cost.


**Summary of Fiscal Impact:**

As stated above, there is no indication provided as to the size of the new Office of Inspector General and thus the cost is indeterminate. Based on similar offices in state government, this new office could be expected to have staff between 12.0 FTE positions and 45.0 FTE positions and have an annual appropriation of between \$1.4 million and \$5.3 million.

Budget Office Signature:

Fiscal Advisor Signature:

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