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GENERAL ASSEMBLY AND SUPPORTING FUNCTIONS

Committee on Legislative Research

August 2010

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YELLOW SHEET

Findings in the audit of the Committee on Legislative Research

Compliance with the Sunset Act

The Committee on Legislative Research and its Oversight Division have not met various responsibilities regarding state programs scheduled to sunset in 2010. In the 2003 legislative session, the General Assembly passed the Sunset Act which provides that new programs established by the legislature after August 28, 2003, will sunset (or be terminated) not more than 6 years after the effective date of the respective program unless reauthorized. The Committee on Legislative Research has significant responsibilities in connection with the Sunset Act, with the Oversight Division assigned to assist the committee in meeting these responsibilities.

The first three programs (passed during the 2004 session) affected by the Sunset Act are scheduled to sunset in the summer of 2010. Based on our review of the committee's actions taken in regard to these programs and the applicable provisions of the Sunset Act, it appears the committee did not meet various required timeframes outlined in state law. As of January 2010, statutorily required public hearings had not been conducted and reports had been submitted to the Governor, General Assembly, and State Auditor, as required. According to Oversight Division records, five other programs are due to sunset in the summer of 2011.

The audit recommended the Committee on Legislative Research and its Oversight Division review the provisions of the Sunset Act and ensure future actions and responsibilities of the committee are performed in accordance with the statutory timeframes.

Fiscal Impact of Legislation

There are currently no procedures established that require the actual fiscal impact of past legislative decisions be reported to the General Assembly.

The Oversight Division provides information to the General Assembly regarding the estimated fiscal impact of proposed legislation through fiscal notes; however, as reported in the prior audit, there are no procedures established which require the actual fiscal impact of significant legislative decisions to be subsequently reviewed and reported. Our prior audit disclosed various instances in which the actual fiscal impact was significantly different than the fiscal impact estimated when the related legislation was being considered.

Personnel Issues

The Committee on Legislative Research provides its employees annual leave benefits that are more generous than those provided to most other state employees and does not require its employees to work a minimum of 40 hours per week as is required of employees of most other state agencies. In addition, the committee allows employees to take administrative leave (paid time off) around various holidays. It appears the cost of granting this administrative leave totaled almost $100,000 during the 3 fiscal years ended June 30, 2009. Further, there is no requirement that performance appraisals be prepared for its employees at least annually, nor are employee evaluation practices documented in the committee's formal personnel policies.

Inventory Records and Procedures

Inventory records related to revised statutes, supplements, and session law books were not adequately maintained. In addition, the periodic physical inventories performed of the inventory items were not documented or reconciled to the inventory records. Further, the adjustments made to the inventory records as a result of the physical counts were not reviewed and approved by management.

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General Assembly and Supporting Functions
Committee on Legislative Research
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Members of the General Assembly
and
Committee on Legislative Research
Jefferson City, Missouri

We have audited the Committee on Legislative Research. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2009, 2008, and 2007. The objectives of our audit were to:

1. Evaluate the committee's internal controls over significant management and financial functions.

2. Evaluate the committee's compliance with certain legal provisions.

3. Evaluate the economy and efficiency of certain management practices and operations, including certain revenues and expenditures.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the Committee; and testing selected transactions.

We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We also tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. However, providing an opinion on the effectiveness of internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. Abuse, which refers to behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary given the facts and circumstances, does not necessarily involve noncompliance with legal provisions. Because the determination of abuse is subjective, our audit is not required to provide reasonable assurance of detecting abuse.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the committee's management and was not subjected to the procedures applied in our audit of the Committee on Legislative Research.

The accompanying Management Advisory Report presents our findings arising from our audit of the Committee on Legislative Research.

Susan Montee, JD, CPA
State Auditor

The following auditors participated in the preparation of this report:

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1. Compliance with the Sunset Act

The Committee on Legislative Research and its Oversight Division have not met various responsibilities regarding state programs scheduled to sunset in 2010.

In the 2003 legislative session, the General Assembly passed the Sunset Act which provides that new programs established by the legislature after August 28, 2003, will sunset (or be terminated) not more than 6 years after the effective date of the respective program unless reauthorized. The Sunset Act further provides that such legislation shall indicate whether it contains a program subject to the Sunset Act and shall have a sunset clause clearly indicating the date of the program's termination without reauthorization. The statutory provisions of this act are contained in Sections 23.250 to 23.298, RSMo. The Committee on Legislative Research has significant responsibilities in connection with the Sunset Act, with the Oversight Division assigned to assist the committee in meeting these responsibilities.

According to Oversight Division officials and records, the first three programs (passed during the 2004 session) affected by this legislation are scheduled to sunset in the summer of 2010. Those programs and the enabling legislations are:

- Missouri Homestead Preservation Act - SB 730
- Veterans' Historical Education Trust Fund - SB 1365
- Higher Education Deposit Program - HB 959

Expenditures related to the tax credit program established by the Missouri Homestead Preservation Act totaled approximately $4.1 million during the 3 years ended June 30, 2009. The Veterans' Historical Education Trust Fund has had no financial activity since it was established to fund the program discussed in the related legislation; however, close to $1.2 million was expended from other state funds for veterans' remembrance purposes during the 3 years ended June 30 2009. The Higher Education Deposit Program has not yet been implemented and/or funded.

Based on our review of the committee's actions taken in regard to these programs and the applicable provisions of the Sunset Act, it appears the committee did not meet the required timeframes outlined in the statutes, as follows:

- Section 23.256, RSMo, requires agencies responsible for administering the program to provide information to the committee to allow it to review/evaluate the program before October 30 of the second calendar year prior to the year in which in a program is scheduled to sunset. For programs scheduled to sunset in 2010, it appears this program information should have been received by October 30, 2008. However, as of August 2009, program information for the three programs had not been provided to the committee nor requested by committee officials. We were told[1] at that time the Oversight Division was in the process of drafting a letter to send to the applicable agencies to obtain the required program information. As of January 2010, we were informed[1] the Oversight Division had obtained the necessary program information from the respective agencies.

- Section 23.259, RSMo, requires the committee to review the information provided by the agency responsible for the program, consult with state budget/appropriation committees and other state officials, conduct a performance evaluation of the program, and prepare a written report before September first of the calendar year prior to the year in which a program is scheduled to sunset. For the programs scheduled to sunset in 2010, the actions described in this statute, including the preparation of the written reports, should have been performed by September 1, 2009. As of January 2010, we were informed[1] the Oversight Division was finalizing its review of the three programs and close to having reports ready for a public hearing(s) and committee review.

- Section 23.262, RSMo, requires the committee to conduct public hearings regarding the applicable program between September 1 and December 1 of the calendar year prior to the year in which a program is scheduled to sunset. For the programs scheduled to sunset in 2010, the public hearings should have been held between September 1 and December 1, 2009. As of January 2010, no public hearings had yet been conducted related to these three programs. We were told[1] that a public hearing(s) would be held regarding the three programs when the reports are ready to be submitted to the committee for review and approval in February 2010.

- Section 23.265, RSMo, requires the committee to present to the governor and General Assembly a report on the programs which are scheduled to sunset at the beginning of each regular session of the General Assembly. The report is to include the committee's findings and recommendations regarding the applicable programs. In addition, pursuant to Section 23.271, RSMo, on the date the committee presents its report to the General Assembly, the committee is also required to present to the state auditor the committee's recommendations that do not require a statutory change. For the programs scheduled to sunset in 2010, the reports to the Governor, General Assembly, and State Auditor

[1] This information was provided by the Director of the Oversight Division.

were due on January 6, 2010, when the 2010 legislative session began. However the committee did not comply with this timeframe and we were told[1] the reports referred to in this section would not be presented to the General Assembly and the other state officials until after the reports are approved by the committee.

Section 23.274, RSMo, allows the committee to exempt an agency and a related program from the requirements of the Sunset Act if the program has been inactive for a period of 2 years prior to the date the program is scheduled to sunset. This is to be done by an affirmative vote of all members of the committee. No documentation or evidence was provided indicating any of the programs discussed above were exempted from applicable requirements.

In discussing this situation with the Director of the Oversight Division, it was apparent he had a different interpretation of the statutory timeframes established in the applicable statutes. During our initial discussions regarding this matter, the Oversight Division was in the process of obtaining program information from the applicable agencies and had not yet hired staff to perform the work necessary to meet the requirements established in the Sunset Act. According to the Director, staff was hired and in place by November 2009 and have been working on the program reviews since that time.

According to Oversight Division records, five other programs are due to sunset in the summer of 2011. Based on the statutory timeframes outlined above, this would have required the agencies administering the programs to provide the required program information to the committee by October 30, 2009. However, as of January 2010, the applicable agencies have not provided the required information. To ensure statutory responsibilities related to the pending sunset of these programs are met by the committee, the Oversight Division should notify applicable agencies of the need to provide the required program information.

Recommendation

The Committee on Legislative Research and its Oversight Division review the provisions of the Sunset Act and ensure future actions and responsibilities of the committee are performed in accordance with the statutory timeframes.

Auditee's Response

Provisions of the Sunset Act lodge supervision and management of Sunset Act reviews with the Committee on Legislative Research. The Committee is currently undertaking all relevant program reviews.

[1] This information was provided by the Director of the Oversight Division.

2. Fiscal Impact of Legislation

There are currently no procedures established which require that the actual fiscal impact of past legislative decisions be reported to the General Assembly.

Pursuant to Section 23.140, RSMo, the Oversight Division provides information to the General Assembly regarding the estimated fiscal impact of proposed legislation. This information is provided through fiscal notes developed by the division with assistance from the affected agency(ies). However, as reported in the prior audit (Report No. 2005-87, *Committee on Legislative Research*, issued in December 2005) there are no procedures established which provide for the actual fiscal impact of legislative decisions to be reported to the General Assembly after legislation has been passed. That audit disclosed various instances in which the actual fiscal impact was significantly different than the fiscal impact estimated when the related legislation was being considered.

In May 2006, the committee approved the establishment of the Legislative Budget Office (LBO) and indicated one of the responsibilities of that office would be to review the actual fiscal impact of past legislative decisions. In addition, in 2009 Senate Bill 514, First Regular Session, 95th General Assembly, was introduced which would have formally established the LBO and required the LBO to review of the actual fiscal impact of past significant legislation; however, that legislation did not pass. At the time of our audit, the LBO had not performed any significant work regarding the actual fiscal impact of past legislation, and the LBO was terminated effective October 31, 2009. Further, while the Sunset Act requires the committee to review new programs and make recommendations regarding sunset or continuation of the programs, we saw no provision in those statutes which requires the actual fiscal impact of such programs be compared to original estimates.

Procedures should be established to ensure the actual fiscal impact of significant legislative decisions is reported to the General Assembly. Such information could be used by the General Assembly in evaluating past legislation and in making future legislative decisions. Considering the committee's role in providing fiscal information to the General Assembly, it appears appropriate that it would be involved in this effort.

Recommendation

The Committee on Legislative Research work with the General Assembly to establish procedures to follow-up and report on the actual fiscal impact of significant legislative decisions.

Auditee's Response

The Committee on Legislative Research currently possesses a statutory mechanism in the Sunset Act to report on the subsequent fiscal impact of legislative decisions. The Committee believes that to develop a more extensive method would be a policy decision for the Committee.

3. Personnel Issues

The Committee on Legislative Research provides its employees annual leave benefits that are more generous than those provided to most other state employees and does not require its employees to work a minimum of 40 hours per week. In addition, the committee allows employees to take administrative leave (paid time off) around various holidays and for other purposes. Further, there is no requirement that performance appraisals be prepared for its employees at least annually nor any mention in the committee's formal personnel policies of employee performance appraisals or the frequency they are to be given.

Attorney General's Opinion No. 46, 1980 to Bradford, concluded legislative employees are exempt from the requirements of Section 36.350 RSMo, regarding hours of work, sick and annual leave accruals, and other personnel matters. However, our review of the Committee on Legislative Research's personnel policies and related records disclosed the following concerns:

3.1 Annual leave

Personnel policies of the Committee on Legislative Research provide that its employees earn 10 hours of annual leave benefits per month during the first 5 years of service. After 5 years of service, the employees earn annual leave at a rate of 12 hours per month and after ten years of service annual leave is earned at a rate of 14 hours per month. Most state employees earn 10 hours of annual leave benefits per month during the first 10 years of service, with that rate increasing to 12 hours per month after 10 years of service, and 14 hours per month after 15 years of service.

There appears to be no reasonable basis for the committee to provide annual leave benefits to its employees that are more generous than provided to most other state employees. In addition, these additional leave benefits result in increased costs to the state.

3.2 Reduced work week

The Committee on Legislative Research does not require employees to work a minimum of 40 hours per week as is required of employees of most other state agencies.

The Committee on Legislative Research personnel manual defines the normal workweek for employees as a 40-hour workweek; however, the manual provides that employees, at the discretion of the respective director, may work less than 40 hours if assigned tasks are completed in a timely manner. The personnel manual states a minimum of 35 hours a week and 7 hours a day is required to receive full pay.

After the legislative session ends, employees are not required to work a 40-hour week, with the employees allowed to work a reduced schedule from mid-May through the end of the calendar year. The Directors of the Research and Oversight Divisions indicated they approved this reduced work schedule because of the significant amount of overtime employees are required to work during the session. It should be noted committee employees are allowed to accumulate compensatory time during the session for any overtime worked; however, there is no reduction in the compensatory time balances to offset the reduced workweeks after the session.

Pay for other state employees is generally based on a 40-hour week. It appears inequitable for committee employees to work fewer hours per week than required of most other state employees.

3.3 Administrative leave

The Committee on Legislative Research personnel policy provides for administrative leave to be granted for inclement weather, with no other reasons for administrative leave discussed in the policy. However, we noted the committee allowed employees to take administrative leave (paid time off) around various holidays during the audit period. Examples include the day prior to the July 4th holiday, the afternoon of Good Friday, the Monday after Easter, the afternoon of Christmas Eve, New Year's Eve, and the day after New Year's Day. The administrative leave granted varied between years. Most other state employees are not allowed administrative leave (additional paid time off) around holidays.

During the year ended June 30, 2009, employees charged over 1,000 hours to administrative leave in these instances (including approximately 250 hours for inclement weather). It appears the cost of granting this administrative leave (including estimated fringe benefit costs) totaled almost $100,000 during the audit period as presented in the following table:

Fiscal Year Ended	Legislative Budget Office	Research Division	Oversight Division
2009	$ 2,967	19,617	9,629
2008	2,014	16,235	12,790
2007	0	26,944	7,833

The practice of granting administrative leave appears costly and questionable considering it is not allowed for most other state employees and considering the leave and benefits already provided to committee employees.

3.4 Performance appraisals

The Committee on Legislative Research does not require that performance appraisals be prepared for its employees at least annually, and there is no mention of employee evaluation practices in the committee's formal personnel policies.

During our review of the personnel records of 15 employees of the Research and Oversight Divisions, we noted none of those employees had received a performance appraisal in the previous 12 months. Most of the Oversight

Division employees reviewed had not received performance appraisals since December 2006 and one Research Division employee had not received a performance appraisal since August 2005.

The Oversight Division Director said he has knowledge regarding employee performance and has numerous informal performance reviews with employees, though these are not documented. The Research Division Director said the employees in that division currently receive a performance appraisal every 2 years; however, that evaluation cycle is not documented in a formal policy.

To ensure employees are provided feedback on a timely basis regarding their job performance, the committee should require that employee performance appraisals be prepared at least annually and ensure its evaluation practices are formally documented in its personnel policies.

3.5 Leave and compensatory time records

The Research Division needs to improve the accuracy of the leave and compensatory time records maintained for its employees.

Annual and sick leave earned and used by Research Division employees are recorded manually on a daily attendance record. Compensatory time earned and taken is manually recorded on a compensatory time record. We reviewed the leave and compensatory time records for eight employees of the Research Division and noted recordkeeping errors for three of the eight employees. In two instances, mathematical errors were made in calculating the ending leave balance and, in the other instance, the applicable employee was not properly credited for overtime worked during one week. These errors were not detected because no one has been assigned responsibility to review and check the accuracy of the information maintained in the records. These errors were corrected when they were brought to the attention of the division.

The Research Division should make a greater effort to ensure leave and compensatory records are maintained accurately by assigning someone responsibility to review the accuracy of the records. The division should also consider maintaining these records in an electronic format to help ensure their mathematical accuracy.

Similar conditions previously reported

Conditions 3.1 and 3.2 were similarly noted in our prior report.

Recommendations

We recommend the Committee on Legislative Research:

3.1 Reduce the annual leave benefits provided to its employees to an amount equal to those provided to most other state employees.

3.2 Require its employees to work 40 hours per week as is required of most other state employees.

3.3 Discontinue granting administrative leave to its employees, or at a minimum, ensure those instances where administrative leave might be granted be documented in its personnel policies.

3.4 Establish a formal policy relating to employee appraisal practices and ensure appraisals are prepared in accordance with the policy.

3.5 Ensure the Research Division takes action to maintain accurate leave and compensatory records of its employees. This should include assigning someone responsibility for reviewing and verifying the accuracy of the records maintained.

Auditee's Response

3.1 The Committee on Legislative Research annual leave benefits for staff are determined by the Committee and are not subject to existing statutory requirements.

3.2 The Committee on Legislative Research has historically adopted personnel policies for its employees that take into account the conditions and nature of legislative work. While the legislature is in session, employees are required to be "on call" at all times and to work as many hours as necessary to keep pace with legislative demands. These expectations frequently create interference with personal and family responsibilities. The work environment of the legislature should be not be compared to that of other state agencies; time constraints often place extraordinary pressures on staff. The Attorney General in 1980 clearly recognized these differences as referenced in the State Auditor's finding.

3.3 Legislative Research is a legislative committee established by the Missouri Constitution and thus is an integral part of the General Assembly. At those times when the House and Senate both grant their employees administrative leave, it is the policy of the Committee to grant the same leave. Clarifications of that policy will be made to the Personnel Manual.

3.4 Directors of both the Research and Oversight Divisions undertake regular and informal evaluations of employees. Additional measures may be taken as considered necessary and appropriate.

3.5 The Research Division has established computerized procedures to ensure accuracy and reflect current leave balances, which each employee reviews monthly.

4. Inventory Records and Procedures

The inventory records established by the Research Division were not adequately maintained. In addition, the periodic physical inventories performed of the inventory items were not documented or reconciled to the inventory records. Further, the adjustments made to the inventory records as a result of the physical counts were not reviewed and approved by management.

The Research Division maintains an inventory of revised statutes, supplements, and session law books for sale and distribution. These publications are sold to the public or distributed at no charge to various government officials/agencies as provided in Section 3.130, RSMo. Our review of the records and procedures related to this inventory disclosed the following concerns:

4.1 Inventory records

The Research Division has established a database which serves as a perpetual inventory system for the inventory items; however, this system was not maintained adequately during the audit period.

From July 2006 to May 2007, the former Distribution Manager did not enter distribution transactions into the inventory database, resulting in most inventory distributions not being recorded in the database during fiscal year 2007. After this individual left employment in May 2007, inventory distributions appear to have been entered into the database; however, we determined a number of distribution transactions were either duplicated or erroneously entered into the database. While division employees identified some of the duplicate or erroneous transactions, it appears no adjusting entries were made to correct these errors. In addition, we noted the division does not formally reconcile the inventory sales records to inventory distributions on a periodic basic to ensure the records are in agreement.

The Research Division should maintain accurate inventory records to ensure the items maintained in inventory are accounted for properly, and are in agreement with the related sales records, and to help prevent the theft or improper use of inventory items.

4.2 Physical inventory procedures

According to the current Distribution Manager, a physical inventory of the inventory items is conducted on an annual basis; however, no documentation of these physical counts was maintained. In addition, no documentation was maintained reconciling the physical counts to the perpetual records or to support adjustments made to the records as a result of the counts. Further, the adjustments were not reviewed and approved by a management employee.

The Research Division should ensure the annual physical inventories of the inventory items are documented and reconciled to the perpetual inventory records to support any adjustments made to the records. Any adjustments made to the records should be reviewed and approved by management.

A condition similar to 4.2 was noted in our prior report.

Recommendations

We recommend the Committee on Legislative Research ensure:

4.1 The Research Division maintains inventory records that accurately account for the items maintained in inventory. Any duplication or erroneous transactions should be identified and corrected. In addition, the division should formally reconcile the inventory sales records to inventory distributions on a periodic basis and ensure the records are in agreement.

4.2 The Research Division documents and retains the annual physical inventories conducted of the inventory items and reconciles the inventory counts to the perpetual inventory records. Any adjustments made to the records should be reviewed and approved by management.

Auditee's Response

4.1 The Research Division has implemented a new computer software program to accurately account for inventory items and to produce accurate records of such items. The staff now reconciles those items on a semi-annual basis.

4.2 The Research Division Director will now review and approve on a semi-annual basis any physical inventory reconciliation.

General Assembly and Supporting Functions
Committee on Legislative Research
Organization and Statistical Information

The Committee on Legislative Research of the Missouri General Assembly was created as a permanent standing committee by an act of the Sixty-Second General Assembly.

The 1945 constitution gave the research committee constitutional standing and provided in Article III, Section 35 that the committee shall be a constitutional body of the General Assembly.

The committee is composed of 20 members of the General Assembly, 10 appointed by the speaker of the House of Representatives and 10 appointed by the president pro tem of the Senate. No major party may have more than six members appointed as members from either house.

The Research Division is directed by statute to maintain a legislative reference library; provide a research staff to make studies at the request of members of the General Assembly; and, upon written request of assembly members, to draft or to aid in drafting bills, resolutions, memorials, and amendments. The division is also responsible for revising and publishing the statutes at least every 10 years and for publication of statutory supplements in years between revisions.

In 1984, House Bill No. 1087 was passed which required the committee to organize an Oversight Division to prepare fiscal notes and to conduct management and program audits of state agencies as directed by the General Assembly or the Committee on Legislative Research. Senate Bill No. 354, passed in 1985, provided for the employment of a director of research to assume administration of the necessary activities of the committee and a director to supervise the operation of the Oversight Division. In 1989, House Bill 493 was passed which gave the Oversight Division the responsibility to issue an annual report of state bonds or other evidences of indebtedness of state agencies and of entities of the state given authority by law to incur indebtedness.

The Oversight Division performed the duties as described until 1997, when the Missouri Supreme Court determined that it was unconstitutional for the Oversight Division to perform audits. Since that time, the division has discontinued performing audits and now conducts program evaluations.

In May 2006, the committee voted to create the Legislative Budget Office effective July 1, 2006, or as soon as practicable thereafter. The Legislative Budget Office was established to perform various duties including, but not limited to: (1) providing an annual budget program options publication to the General Assembly, (2) instituting performance-based budget reviews of state agencies, (3) reviewing the actual fiscal impact of past legislative decisions, and (4) performing trend analyses of revenues and expenditures. In September 2009, the committee voted to eliminate the Legislative Budget Office effective October 31, 2009.

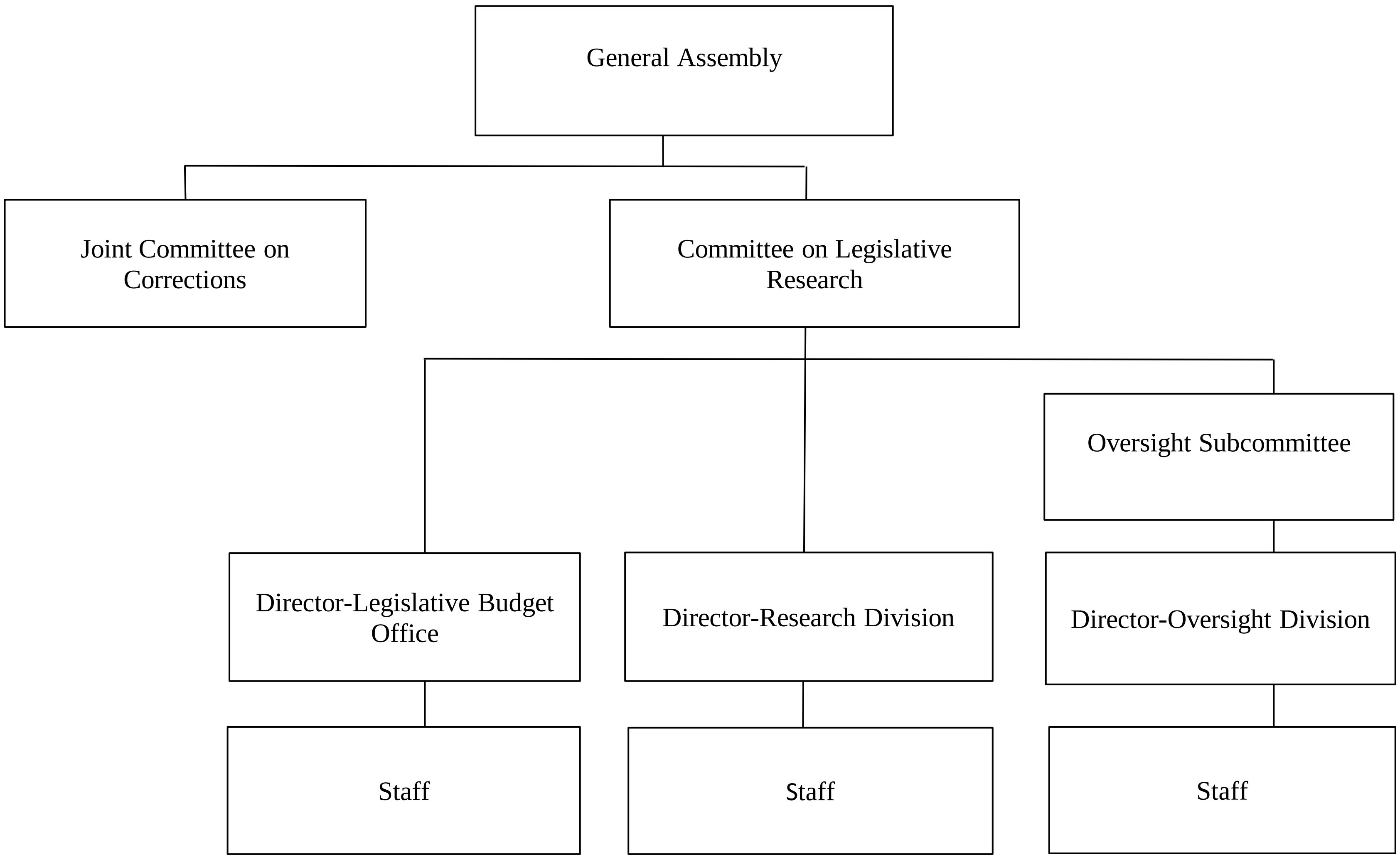
The overall and primary purpose of the committee and its staff is to aid the individual legislators by furnishing technical assistance and factual information. The committee is not a policy-making group and it formulates no legislative program. Its staff renders only such technical and professional assistance as may be requested by the General Assembly or any of its members.

The Joint Committee on Corrections is authorized by provisions of Chapter 21, RSMo, and is comprised of six members of the Senate and six members of the House of Representatives. The Senate members are appointed by the president pro tem and the House members are appointed by the speaker. Its powers and duties are prescribed in Sections 21.440 through 21.465, RSMo. Staff of the Research Division provides accounting and administrative support for this statutory committee.

At June 30, 2009, the staff of the Committee on Legislative Research consisted of 39 employees, 25 employed in the Research Division, 13 employed in the Oversight Division, and 1 employed in the Legislative Budget Office. Russell Hembree was appointed as the Director of the Research Division effective September 2005 and he continues in that position. Michael Wilson was appointed as the Director of the Oversight Division in June 2002 and he continues to serve in that position. Dan Kowalski was appointed as Director of the Legislative Budget Office in February 2007 and he served in that position until October 31, 2009.

An organization chart for the Committee on Legislative Research follows:

GENERAL ASSEMBLY AND SUPPORTING FUNCTIONS
COMMITTEE ON LEGISLATIVE RESEARCH
ORGANIZATION CHART
JUNE 30, 2009



Appendix A

General Assembly and Supporting Functions
Committee on Legislative Research
Comparative Statement of Receipts, Disbursements, and
Changes in Cash and Investments
Statutory Revision Fund

	Year Ended June 30,		
	2009	2008	2007
RECEIPTS			
Sales	$ 115,771	121,915	95,762
Vendor refunds	237	2,825	47
Total Receipts	116,008	124,740	95,809
DISBURSEMENTS			
Salaries and wages	103,265	70,299	51,671
Expense and equipment	75,664	81,982	56,516
Transfers to General Revenue Fund- State	51,248	27,207	21,098
Total Disbursements	230,177	179,488	129,285
RECEIPTS OVER (UNDER) DISBURSEMENTS	(114,169)	(54,748)	(33,476)
CASH AND INVESTMENTS, JULY 1	215,544	270,292	303,768
CASH AND INVESTMENTS, JUNE 30	$ 101,375	215,544	270,292

Appendix B

General Assembly and Supporting Functions
Committee on Legislative Research
Comparative Statement of Appropriations and Expenditures

	Year Ended June 30,								
	2009			2008			2007		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
GENERAL REVENUE FUND									
Committee on Legislative Research	$ 1,054,354	923,501	130,853	1,215,447	1,143,331	72,116	1,216,207	1,067,537	148,670
Legislative Research Published Statutes	380,459	380,047	412	168,251	168,218	33	166,679	166,654	25
Joint Committee Corrections	12,000	785	11,215	12,000	1,849	10,151	12,000	1,433	10,567
Legislative Research Oversight	685,522	566,437	119,085	651,678	576,619	75,059	734,786	558,387	176,399
Legislative Budget Office	242,535	166,165	76,370	237,800	225,362	12,438	0	0	0
Total General Revenue Fund-State	2,374,870	2,036,936	337,934	2,285,176	2,115,378	169,798	2,129,672	1,794,012	335,661
STATUTORY REVISION FUND									
Legslative Research-Publish Statutes	207,255	178,930	28,325	168,100	152,282	15,818	108,567	108,187	380
Total Statutory Revision Fund	207,255	178,930	28,325	168,100	152,282	15,818	108,567	108,187	380
Total All Funds	$ 2,582,125	2,215,865	366,260	2,453,276	2,267,660	185,616	2,238,239	1,902,199	336,040

Note: The Legislative Budget Office did not receive an appropriation until fiscal year 2008. Some salary costs of that office were paid from other committee appropriations in fiscal year 2007.

Appendix C

General Assembly and Supporting Functions
Committee on Legislative Research
Comparative Statement of Expenditures by Division (From Appropriations)

	Year Ended June 30,				
	2009	2008	2007	2006	2005
RESEARCH DIVISION EXPENDITURES					
Salaries and wages	$ 1,205,717	1,165,245	1,114,008	936,639	940,125
Travel	1,742	4,554	3,996	5,219	3,113
Supplies	47,823	45,958	41,507	38,206	32,923
Professional development	2,772	2,335	1,470	5,355	3,069
Communication services and supplies	10,734	9,750	9,986	10,004	13,076
Professional services	124,579	125,118	94,534	99,382	80,918
Housekeeping and janitorial services	5,889	5,282	5,160	5,050	5,260
Maintenance and repair services	38,850	19,442	16,135	28,991	10,463
Computer equipment	34,343	56,603	48,309	13,684	41,700
Other equipment	8,596	29,926	6,913	2,034	6,385
Other	2,218	1,466	1,793	1,504	5,760
Total Research Division	1,483,263	1,465,679	1,343,812	1,146,068	1,142,792
OVERSIGHT DIVISION EXPENDITURES					
Salaries and wages	544,249	551,415	536,668	503,538	536,351
Travel	220	734	155	947	430
Supplies	4,838	5,330	3,892	3,588	3,308
Professional development	3,478	2,975	1,790	3,115	2,110
Communication services and supplies	5,402	5,166	4,975	5,441	6,087
Professional services	917	992	917	1,374	0
Housekeeping and janitorial services	3,140	3,720	3,235	4,295	3,675
Maintenance and repair services	620	1,594	2,285	2,409	2,298
Equipment rental and leases	3,574	4,693	4,469	4,797	4,503
Total Oversight Division	566,437	576,619	558,387	529,504	558,762
LEGISLATIVE BUDGET OFFICE EXPENDITURES					
Salaries and wages	165,305	129,681	0	0	0
Travel	127	477	0	0	0
Supplies	97	658	0	0	0
Professional development	0	149	0	0	0
Professional services	635	90,040	0	0	0
Equipment	0	4,357	0	0	0
Total Legislative Budget Office	166,165	225,362	0	0	0
TOTAL EXPENDITURES	$ 2,215,865	2,267,660	1,902,199	1,675,572	1,701,554

Note: The Legislative Budget Office did not receive an appropriation until fiscal year 2008. Some salary costs of that office are included in the Research Division expenditures in fiscal year 2007.

Appendix D

General Assembly and Supporting Functions
Committee on Legislative Research
Statement of Changes in General Capital Assets

		Balance July 1, 2006	Additions	Dispositions	Balance June 30, 2007	Additions	Dispositions	Balance June 30, 2008	Additions	Dispositions	Balance June 30, 2009
GENERAL CAPITAL ASSETS											
Office equipment and furniture:											
Research Division	$	232,199	22,278	(44,506)	209,971	58,847	(31,002)	237,816	13,997	0	251,813
Oversight Division		105,717	5,136	(8,456)	102,397	24,670	(27,848)	99,219	5,615	0	104,834
Total General Capital Assets	$	337,916	27,414	(52,962)	312,368	83,517	(58,850)	337,035	19,612	0	356,647

Note: The general capital assets of the Legislative Budget Office are included with those presented for the Research Division.