

TESTIMONY of MATT DUNLAP, CIA

STATE AUDITOR

IN SUPPORT

L.D. 954, An Act Regarding Employees in the Office of the State Auditor

Senator Baldacci, Representative Salisbury, and distinguished members of the Joint Standing Committee on State and Local Government; my name is Matt Dunlap, and I have the honor of serving as Maine's State Auditor. I am here today to testify in favor of L.D. 954. We are grateful to Representative Salisbury for sponsoring this bill on our behalf.

My service in state government pre-dates the current Service Center model. In those days, agencies handled their own budget analysis and personal services functions. While the development of service centers has created some efficiencies, it has also borne some inflexibilities and impairments, which for a small office such as the Office of the State Auditor has at times functioned like a sea anchor in our efforts to adapt our skill sets to work classifications with any true reflection on function or with any degree of nimbleness.

This is not an indictment of the Bureau of Human Resources within the Department of Administrative and Financial Services; indeed, they have been very helpful to us. In arriving to those points, however, we have found ourselves betimes to have completed long and sometimes difficult journeys. The functions we serve are dissimilar to the audit functions found already in executive agencies; our work in the compliance audit, for example, referred to in the shorthand of the Single Audit, stands as one example of that. While an auditor in the Bureau of Motor Vehicles will keep a weather eye almost exclusively on the transactions of motor vehicle agents, for example, even our entry-level staff auditors might find their duties taking them to virtually any and every program within every department in state government, applying the audit principles of government auditing as promulgated by the Governmental Accounting Standards Board in a far more developed fashion, and in turn, their professional growth can be rapid.

There is additional legislation pending that you will also see that more fundamentally addresses the matter of independence. The State Auditor is separately elected in order to assure the independence of the work. In cementing that, we will have that later discussion with the placement of the Office of the State Auditor in Title 5 MRSA versus Article IX of the state constitution. Likewise, if we are to be truly independent, being able to manage with nimbleness the developing talent of our coworkers whose work can quickly elude their job classification only adds to our effectiveness.

But, fundamentally, independence and effectiveness to do *what*?

It should not surprise you that we talk about that quite a bit in our offices. One of our coworkers had a few words I would like to share with you now:

“A well-functioning audit office is not a bureaucratic formality; it is an investment in good governance. Every dollar that is misspent, every contract that lacks oversight, every inefficiency that persists in state government comes at a direct cost to the taxpayers. Maine residents work hard for every dollar they earn, and they deserve to know that the State of Maine does not take the role of “steward” lightly. The auditor's role is to follow the money – not with suspicion, but with a commitment to ensuring that every expenditure meets the standard of public benefit.

Strengthening the audit office means equipping it with the necessary expertise, independence, and resources to conduct thorough examinations and hold agencies accountable. Without these tools, audits become empty exercises, reports gather dust, and the public remains in the dark. When oversight is weakened, inefficiencies compound, and the very government that should serve the people becomes disconnected from them.”

To accomplish these ends, we must be effective, agile, and independent. Being able to retain developing talent and address their growth with commensurate job descriptions and compensation will better insure those goals.

This concludes my testimony, and I am happy to answer any questions of the committee at the pleasure of the Chair.