



PERFORMANCE AUDIT REPORT

Reviewing the Vehicle Information
Processing System and the
Computer-Assisted Mass Appraisal System
After Changes in State Law

Executive Summary *with Conclusions and Recommendations*

A Report to the Legislative Post Audit Committee
By the Legislative Division of Post Audit
State of Kansas
December 1996

**Reviewing the Vehicle Information Processing System and
The Computer-Assisted Mass Appraisal System
After Changes in State Law**

EXECUTIVE SUMMARY

LEGISLATIVE DIVISION OF POST AUDIT

**Question 1: How Much Additional Revenue Has Been Raised
For the Vehicle Information Processing and Computer-Assisted
Mass Appraisal Systems Through Recent Changes in State Law,
And How Do Those Amounts Compare to the Revenue Needs
And Estimates Provided to the Legislature?**

The 1996 Legislature earmarked certain funds for improving the State's Vehicle Information Processing and Computer-Assisted Mass Appraisal Systems. In general, those funds arise from certificate of title fees and fees from the sale of public records. During the first three months of fiscal year 1997, the Department of Revenue collected \$278,454 for upgrading the Systems' hardware and \$315,865 for operation, maintenance, and improvement of these and the Department's other electronic data base systems. Amounts collected through September 1996 are reasonably consistent with revenue estimates provided to the 1996 Legislature. Further, although estimated expenditures have been revised upward by 15%, those estimated expenditures don't exceed estimated revenues. page 4

Recommendation: *The Department of Revenue's Information Systems Bureau should work more closely with the Resource Management Bureau to ensure that bulk records vendors are promptly paying the proper amounts to the State. In addition, the Resource Management Bureau should verify that amounts collected are recorded in the proper State fund.* page 7

Recommendation: *The Department of Revenue should develop a way to ensure periodically that the proper amounts are collected from title fees.* page 7

**Question 2: How Have the Additional Revenues for the
Vehicle Information Processing and Computer-Assisted
Mass Appraisal Systems Been Spent, and Have Those
Expenditures Addressed the Needs and Problems Identified
By the Department of Revenue and County Officials and
Adhered to Proposals Made to the Legislature?**

Because the enhanced revenues had been in place for only three months when this audit work was conducted, expenditures of these page 6

revenues were limited. During the first three months of fiscal year 1997, the Department spent about \$8,900 to begin hardware procurement for upgrading the Vehicle Information Processing System. This expenditure is consistent with proposals made to the Legislature.

The Department of Revenue concurred with the report, but didn't specifically respond to the recommendations.

This audit was conducted by Berberich Trahan & Co., P.A., a certified public accounting firm under contract with the Legislative Division of Post Audit. This Executive Summary was prepared by the staff of Legislative Post Audit. If you need any additional information about the audit's findings, please contact Randy Tongier at the Division's offices. Our address is: Legislative Division of Post Audit, 800 SW Jackson Street, Suite 1200, Topeka, Kansas 66612. You also may call (913) 296-3792, or contact us via the Internet at: **LPA@PostAudit.ksleg.state.ks.us**.

