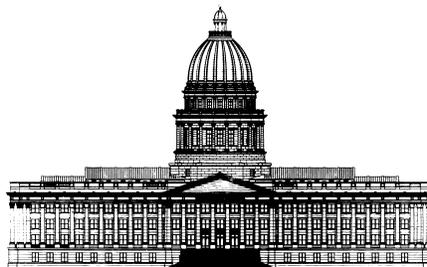

COMPENDIUM OF BUDGET INFORMATION
FOR THE
2008 GENERAL SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE FOR
ECONOMIC DEVELOPMENT AND REVENUE

OFFICE OF THE LEGISLATIVE FISCAL ANALYST
ANDREA WILKO, PH.D
THOMAS YOUNG, PH.D
NOVEMBER 16, 2007

UTAH STATE LEGISLATURE
COMPENDIUM OF BUDGET INFORMATION
FOR THE
2008 GENERAL SESSION

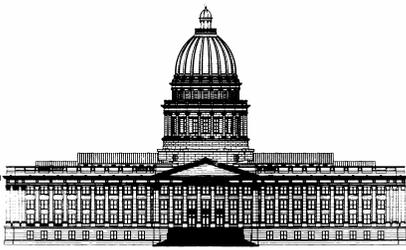


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November 16, 2007

Members of the Economic Development and Revenue Appropriations Subcommittee
Utah State Capitol
Salt Lake City, UT 84114

Dear Legislators:

Please find attached the fourth edition of the Utah Legislature's Compendium of Budget Information (COBI). COBI is one part of a three-pronged approach to staff budget analysis. It is designed as a reference document in which you will find detail on Utah state government activities within your subcommittee's jurisdiction. It includes program descriptions, references to statutory authority, accountability information, and, of course, budget data. COBI sets a baseline against which you can evaluate budgets proposed during the 2008 General Session.

Parts two and three of the Legislature's budget analysis – Budget Briefs and Issue Briefs – will be available throughout the 2008 General Session beginning in January. Both are succinct, decision oriented papers that build on COBI, presenting future budget options rather than COBI's *status quo*. Budget Briefs follow the structure of state appropriations, documenting proposals for current year supplemental and future year budget action. Issue Briefs cut across "silos" to discuss subjects that impact state appropriations independent of program structure.

Detail on current state appropriations as they relate to your subcommittee are included in the "2008 Appropriated" column of the budget tables herein. Utah's total budget, by funding source, subcommittee, and category of expenditure, is summarized in the table on the following page.

If I or another member of your budget staff can assist you further regarding this document or any other matter, please do not hesitate to contact me at (801) 538-1034.

Sincerely,

Jonathan C. Ball
Legislative Fiscal Analyst

Budget History - State of Utah

	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,745,251,100	1,767,809,300	1,910,800,100	1,781,898,100	2,087,726,350
General Fund, One-time	532,700	117,544,000	121,540,000	454,595,540	274,236,220
Uniform School Fund	1,734,161,174	1,815,156,111	1,917,934,675	2,115,252,445	2,413,266,208
Uniform School Fund, One-time	5,891,000	34,800,900	43,725,000	74,357,300	226,538,200
Education Fund	112,000,000	200,520,900	235,260,900	548,663,800	463,136,000
Education Fund, One-time	(23,200,000)	52,073,500	19,496,600	62,412,200	430,655,900
Transportation Fund	391,891,100	437,416,000	421,112,200	422,737,800	431,650,000
Transportation Fund, One-time	0	277,100	126,371,900	1,200,000	2,000,000
Centennial Highway Fund	117,531,900	145,772,200	126,393,400	127,976,800	128,607,800
Centennial Highway Fund, One-time	1,796,800	0	0	0	0
General Fund Restricted	154,215,300	171,101,700	214,281,100	206,576,236	251,830,800
Uniform School Fund Restricted	72,000	90,700	14,306,100	15,168,000	22,518,100
Transportation Fund Restricted	29,813,200	30,720,100	37,215,500	41,330,900	40,506,800
Federal Funds	2,174,694,678	2,264,204,145	2,294,817,646	2,382,363,452	2,501,000,000
Dedicated Credits	614,539,399	730,196,287	654,136,650	702,670,540	718,173,500
Land Grant	804,700	1,040,435	1,807,732	1,943,425	1,608,500
Federal Mineral Lease	64,176,600	64,785,719	98,278,950	92,423,753	119,865,200
Restricted Revenue	2,944,000	273,700	17,603,200	21,725,600	0
Trust and Agency Funds	406,862,037	380,298,477	668,947,402	1,048,476,080	966,725,621
Transfers	312,446,922	314,413,473	350,828,925	362,909,859	347,464,700
Repayments/Reimbursements	15,206,500	11,107,200	11,816,900	11,816,900	31,005,000
Other Financing Sources	0	0	233,722	871,096	0
Pass-through	994,900	1,503,200	1,081,300	1,276,400	90,200
Beginning Balance	508,223,541	326,000,043	270,710,688	432,551,849	122,032,500
Closing Balance	(408,377,198)	(348,039,802)	(286,829,794)	(539,495,843)	(79,332,250)
Lapsing Balance	(56,071,454)	(20,646,900)	(25,473,500)	(98,932,100)	(2,537,000)
Total	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,272,770,132	\$11,498,868,349
Appropriations Subcommittees					
Executive Offices & Criminal Justice	582,590,000	618,377,000	650,467,100	678,266,700	761,042,750
Capital Facilities & Government Operat	283,219,900	466,535,900	400,525,000	534,265,800	631,601,700
Commerce & Workforce Services	370,080,100	381,785,400	374,734,600	383,649,600	449,118,300
Economic Development and Revenue	193,681,700	174,955,900	250,681,500	246,992,000	425,160,000
Health & Human Services	1,988,592,616	2,145,033,300	2,307,382,500	2,345,326,200	2,529,930,600
Higher Education	934,067,900	991,420,900	1,057,207,218	1,121,954,267	1,220,739,200
Natural Resources	165,264,800	166,619,200	189,936,600	236,873,300	228,923,600
Public Education	2,438,357,683	2,593,642,788	2,771,942,577	3,009,733,825	3,543,591,829
Transportation & Environmental Qualit	935,857,900	945,086,000	1,227,356,000	1,698,165,700	1,688,463,600
Legislature	14,688,300	14,962,100	16,164,200	17,542,740	20,296,770
Total	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,272,770,132	\$11,498,868,349
Categories of Expenditure					
Personal Services	1,807,281,594	1,898,751,798	1,997,933,580	2,100,891,174	2,344,090,220
In-State Travel	14,293,546	15,513,409	17,121,676	17,998,106	14,715,500
Out of State Travel	5,103,109	5,639,200	6,097,300	6,528,900	6,547,200
Current Expense	854,753,504	955,950,991	959,134,668	1,022,841,581	1,357,724,100
DP Current Expense	82,210,762	84,280,900	87,515,600	140,273,000	146,635,200
DP Capital Outlay	12,440,919	12,629,500	14,593,000	24,152,300	33,000,300
Capital Outlay	483,245,065	317,867,416	552,774,790	789,338,760	732,105,700
Other Charges/Pass Thru	4,646,861,100	5,077,496,574	5,494,754,581	6,043,460,911	6,856,055,229
Cost of Goods Sold	(129,500)	(135,800)	(813,200)	(227,600)	881,800
Cost Accounts	(24,500)	0	6,600	(600)	13,200
Operating Transfers	144,300	172,900	157,000	2,622,900	105,000
Transfers	0	0	0	75,400	0
Trust & Agency Disbursements	221,000	130,251,600	117,121,700	124,815,300	6,994,900
Total	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,272,770,132	\$11,498,868,349
Other Data					
Budgeted FTE	32,446.1	32,854.8	33,102.2	32,536.3	33,699.2
Vehicles	10,416	9,123	9,091	9,189	9,091

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INTRODUCTION

Format

Staff budget analysis consists of three parts:

- Compendium of Budget Information (COBI). The document you are currently reading, the COBI provides comprehensive information on state agencies, institutions, and programs. It is a resource for decision-makers desiring further detail or background information beyond the summary provided in a Budget or Issue Brief. It is useful for reviewing base budgets, but does not contain staff recommendations.
- Issue Briefs. These relatively short documents (no more than a few pages) discuss issues that transcend line items or perhaps even departments. For example, if the Legislative Fiscal Analyst wishes to present a concern with law enforcement, an Issue Brief may be the best format. The analyst will prepare Issue Briefs just prior to the 2008 General Session.
- Budget Briefs. Another relatively short document, the budget brief is used to present issues, recommendations, performance measures, and line item-level budget tables. The purpose of this document is to bring budgets to the forefront and to discuss the analyst's recommendations. The analyst will prepare Budget Briefs just prior to the 2008 General Session.

Process

The Office of the Legislative Fiscal Analyst (LFA) – a non-partisan office – serves both chambers of the Legislature by making independent budget recommendations, determining the fiscal impact of proposed legislation, and preparing appropriations bills. Appropriations subcommittees review LFA's recommendations, vote upon, and report to the Executive Appropriations Committee proposed budgets for programs within their respective jurisdictions. The Executive Appropriations Committee, and ultimately the Legislature as a whole, considers multiple appropriation acts that, in turn, determine the final annual budget for each program of state government.

Timing

Utah does not budget on the calendar year, but on what is termed a Fiscal Year, which is the twelve-month period from July 1 to June 30 of the following year. A Fiscal Year is usually abbreviated FY, with the number follows "FY" designating the calendar year in which the second six months fall. The current fiscal year is FY 2008, which will end June 30, 2008. During the 2007 General Session, the Legislature can make supplemental changes to the already established budget for FY 2008. The next fiscal year, for which the Legislature is determining a new budget, is FY 2009. FY 2009 includes the period of time from July 1, 2008 to June 30, 2009.

Sources

In allocating resources for state government use, appropriations subcommittees may use funding from several sources. The following funding sources most commonly used by the subcommittees:

- General Fund

- School Funds
- Transportation Funds
- Federal Funds
- Dedicated Credits
- Restricted Funds
- Other Funds

A glossary of terms – included at the end of this document – defines these funding sources as well as other terms commonly used in Utah state budgeting.

CHAPTER 1 DEPARTMENT OF COMMUNITY AND CULTURE

- Function** The Department of Community and Culture is responsible for enhancing the quality of life for the people of Utah by creating, preserving and promoting community and cultural infrastructure. Department divisions, offices and programs include: Administration, the Division of Indian Affairs, the Division of State History the Division of Arts and Museums, The State Library, and the Division of Housing and Community Development. The Department also administers the Office of Ethnic Affairs, a Community Development Capital Budget and pass through funding for the Zoos.
- Statutory Authority** Statutory Authority for the Department of Community and Culture is found in UCA Title 9. The powers and duties detailed for the department include:
- Responsibility for community and cultural development within the state;
 - Community and cultural development planning for the state; and
 - Coordination of federal grants for community and culture.

Funding Detail

Funding for the Department is detailed below. The largest funding sources are the Permanent Community Impact Fund, Federal Funds, and the General Fund. DCC is impacted by federal grant changes, increasing lease costs, and increasing infrastructure costs.

Budget History - Department of Community and Culture					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	15,717,800	18,624,400	16,537,900	17,425,100	23,282,600
General Fund, One-time	2,000,000	0	2,615,100	12,972,500	5,970,000
Federal Funds	35,222,900	35,047,000	34,194,500	38,155,700	43,740,000
Dedicated Credits Revenue	3,082,700	2,653,400	3,037,100	3,536,100	4,853,500
Federal Mineral Lease	3,173,700	4,184,500	6,325,700	0	6,500,000
GFR - Homeless Trust	550,000	650,000	850,000	850,000	1,350,000
Permanent Community Impact	37,103,100	10,286,300	10,244,100	903,000	87,688,800
Transfers	4,241,400	72,400	836,600	26,000	0
Pass-through	0	377,500	0	0	0
Repayments	0	0	0	0	17,067,000
Beginning Nonlapsing	1,371,000	1,207,800	2,200,400	2,490,000	0
Closing Nonlapsing	(1,207,900)	(2,200,400)	(2,490,200)	(5,822,900)	0
Lapsing Balance	(26,811,900)	(239,000)	0	(49,200)	0
Total	\$74,442,800	\$70,663,900	\$74,351,200	\$70,486,300	\$190,451,900
Line Items					
Administration	2,373,800	3,383,000	2,193,900	2,124,200	4,076,300
Historical Society	174,600	179,200	104,700	53,000	264,500
State History	2,316,100	2,410,900	2,647,900	3,013,400	3,642,500
Arts and Museums	3,186,600	3,643,300	3,851,000	4,415,000	5,234,000
Arts and Museums - Museum Services	0	0	0	1,439,000	1,420,900
State Library	7,349,200	7,282,000	8,380,400	8,863,200	9,336,900
Indian Affairs	260,600	220,700	209,500	247,600	264,300
Housing and Community Development	46,157,500	38,489,000	39,839,400	48,832,200	54,281,600
Community Development Capital Budget	11,225,700	13,584,500	15,725,700	0	110,232,200
Zoos	1,398,700	1,471,300	1,398,700	1,498,700	1,698,700
Total	\$74,442,800	\$70,663,900	\$74,351,200	\$70,486,300	\$190,451,900
Categories of Expenditure					
Personal Services	11,163,800	11,756,100	12,127,600	12,565,300	14,421,000
In-State Travel	174,900	187,600	206,100	212,700	197,600
Out of State Travel	141,400	141,600	166,500	228,500	166,600
Current Expense	5,131,200	5,292,200	5,240,100	6,610,700	6,049,300
DP Current Expense	512,100	529,800	730,400	1,186,300	7,524,700
DP Capital Outlay	489,000	23,400	2,763,000	59,000	2,051,000
Capital Outlay	0	148,700	140,400	254,100	131,000
Other Charges/Pass Thru	56,736,200	52,488,500	52,874,700	49,293,100	159,805,700
Operating Transfers	94,200	96,000	102,400	76,600	105,000
Total	\$74,442,800	\$70,663,900	\$74,351,200	\$70,486,300	\$190,451,900
Other Data					
Budgeted FTE	206.0	203.0	203.0	190.4	191.1
Vehicles	36	36	37	37	37

Table 1

ADMINISTRATION

Function

The Administration Program is responsible for helping department divisions by providing professional support and administrative services. The Administration includes: finance, budgeting, research, planning, auditing, and communication functions.

Funding Detail

Operational funding for the Administration Program is appropriated from the General Fund.

Budget History - Community and Culture - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	2,374,000	4,362,600	2,261,800	2,218,700	2,776,300
General Fund, One-time	0	0	(151,600)	(654,800)	1,300,000
Beginning Nonlapsing	37,900	38,100	1,017,000	933,300	0
Closing Nonlapsing	(38,100)	(1,017,000)	(933,300)	(373,000)	0
Lapsing Balance	0	(700)	0	0	0
Total	\$2,373,800	\$3,383,000	\$2,193,900	\$2,124,200	\$4,076,300
Programs					
Executive Director	456,600	1,452,400	815,600	695,100	700,700
Information Technology	828,100	817,900	633,700	652,400	754,100
Administrative Services	1,089,100	1,112,700	744,600	776,700	2,621,500
Total	\$2,373,800	\$3,383,000	\$2,193,900	\$2,124,200	\$4,076,300
Categories of Expenditure					
Personal Services	1,614,600	1,656,300	1,217,000	693,400	799,300
In-State Travel	3,200	2,600	4,500	3,400	4,800
Out of State Travel	11,900	12,900	2,600	900	3,000
Current Expense	511,600	446,900	428,000	753,100	744,100
DP Current Expense	232,500	220,300	171,000	673,400	725,100
DP Capital Outlay	0	9,900	0	0	1,800,000
Other Charges/Pass Thru	0	1,034,100	370,800	0	0
Total	\$2,373,800	\$3,383,000	\$2,193,900	\$2,124,200	\$4,076,300
Other Data					
Budgeted FTE	25.0	22.0	22.0	7.0	9.0
Vehicles	10	10	10	10	10

Table 2

EXECUTIVE DIRECTOR

Function

The Executive Director and his staff lead and coordinate the Department’s work with the Governor and other state agencies. The Executive Section coordinates the efforts of the various divisions of the Department in communicating established goals.

The Internal Auditor, who works directly for the Executive Director, is also part of this section. The Internal Auditor ensures effectiveness of controls and reliability of data. The Auditor also evaluates Department adherence to plans, policies, procedures and laws and coordinates with outside auditors conducting audits of Department Agencies.

Responsibility for the Administration program is divided between the Executive Director and the Deputy Director. The Department Executive Director is responsible for the governance, policy and communications functions while the Deputy is responsible for operations, policy, strategic planning, enterprise project oversight, and administration.

Funding Detail

A five year history of program funding is presented in the following table.

Budget History - Community and Culture - Administration - Executive Director					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	452,600	2,440,100	400,500	684,700	700,700
General Fund, One-time	0	0	90,000	(656,900)	0
Beginning Nonlapsing	700	30,000	1,017,000	691,900	0
Closing Nonlapsing	3,300	(1,017,000)	(691,900)	(24,600)	0
Lapsing Balance	0	(700)	0	0	0
Total	\$456,600	\$1,452,400	\$815,600	\$695,100	\$700,700
Categories of Expenditure					
Personal Services	411,900	476,800	389,900	458,500	561,800
In-State Travel	2,400	1,800	1,700	3,100	1,900
Out of State Travel	7,100	3,700	2,500	900	2,900
Current Expense	31,600	(34,900)	44,100	224,800	126,800
DP Current Expense	3,600	11,700	6,600	7,800	7,300
DP Capital Outlay	0	9,900	0	0	0
Other Charges/Pass Thru	0	983,400	370,800	0	0
Total	\$456,600	\$1,452,400	\$815,600	\$695,100	\$700,700
Other Data					
Budgeted FTE	6.0	5.0	5.0	5.0	7.0

Table 3

INFORMATION TECHNOLOGY

Function

The Information Technology section, now part of the Department of Technology Services, is responsible for information technology systems and programs within the Department. The section is divided into two functions, operations and e-solutions. Resources provided include: network services; application development and delivery; internet and web services and customer desk top support.

Responsibilities include: maintenance and support of all computer room backend services, LAN and WAN connectivity; web services and delivery; database support and maintenance; application development and support and email services.

During the 2007 General Session funding was provided to begin a Department wide digitization effort in FY 2008. The Department has developed a multi-year plan to digitize a prioritized list of collections, documents, and grants management databases to make resources available to the public in a more efficient and accessible manner.

Funding Detail

Funding for Information Technology is appropriated from the General Fund. Funds are used to support staff and data processing costs.

Budget History - Community and Culture - Administration - Information Technology					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	824,900	809,800	879,100	723,300	754,100
General Fund, One-time	0	0	(193,700)	3,300	0
Beginning Nonlapsing	26,600	8,100	0	51,700	0
Closing Nonlapsing	(23,400)	0	(51,700)	(125,900)	0
Total	\$828,100	\$817,900	\$633,700	\$652,400	\$754,100
Categories of Expenditure					
Personal Services	559,100	570,600	458,000	0	25,200
In-State Travel	200	0	1,300	0	1,300
Out of State Travel	1,500	1,400	0	0	0
Current Expense	45,500	44,000	28,100	16,400	28,000
DP Current Expense	221,800	201,900	146,300	636,000	699,600
Total	\$828,100	\$817,900	\$633,700	\$652,400	\$754,100
Other Data					
Budgeted FTE	10.0	9.0	9.0	0.0	0.0

Table 4

ADMINISTRATIVE SERVICES

Function

Administrative Services coordinates and facilitates the business functions of the department. The Administrative team provides the department’s public relations, budgeting, accounting, and planning services.

The Chief Financial Officer is responsible for all budgeting and accounting for the Department. The DCC Public Information Officer provides the public relations function for the Department by working closely with the Governor’s Office and division directors to ensure the Department maximizes media opportunities.

Funding Detail

A five year history of Administrative Service funding is presented in the following table. Funding is used mainly for staff costs and current expense.

Budget History - Community and Culture - Administration - Administrative Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,096,500	1,112,700	982,200	810,700	1,321,500
General Fund, One-time	0	0	(47,900)	(1,200)	1,300,000
Beginning Nonlapsing	10,600	0	0	189,700	0
Closing Nonlapsing	(18,000)	0	(189,700)	(222,500)	0
Total	\$1,089,100	\$1,112,700	\$744,600	\$776,700	\$2,621,500
Categories of Expenditure					
Personal Services	643,600	608,900	369,100	234,900	212,300
In-State Travel	600	800	1,500	300	1,600
Out of State Travel	3,300	7,800	100	0	100
Current Expense	434,500	437,800	355,800	511,900	589,300
DP Current Expense	7,100	6,700	18,100	29,600	18,200
DP Capital Outlay	0	0	0	0	1,800,000
Total	\$1,089,100	\$1,112,700	\$744,600	\$776,700	\$2,621,500
Other Data					
Budgeted FTE	9.0	8.0	8.0	2.0	2.0
Vehicles	10	10	10	10	10

Table 5

THE UTAH STATE HISTORICAL SOCIETY

Function As the fundraising arm of the Division of State History, the Utah State Historical Society solicits and receives donations and membership dues. It provides to its members division publications, for which members pay the extra printing, publication and distribution costs. The Historical Society receives gifts, bequests, and donations for the benefit of the history of the state.

Statutory Authority UCA 9-8-207 provides statutory authority for the Utah State Historical Society to operate as the fundraising arm of the Division of State History.

Funding Detail Funding for the Historical Society comes mainly from dedicated credit revenues as shown in the following table.

Budget History - Community and Culture - Historical Society - State Historical Society					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Federal Funds	42,500	24,100	0	700	1,300
Dedicated Credits Revenue	114,200	166,200	92,700	107,400	263,200
Beginning Nonlapsing	193,000	175,100	186,200	174,200	0
Closing Nonlapsing	(175,100)	(186,200)	(174,200)	(229,300)	0
Total	\$174,600	\$179,200	\$104,700	\$53,000	\$264,500
Categories of Expenditure					
Personal Services	25,000	18,300	0	1,400	81,800
In-State Travel	200	0	0	(500)	3,500
Out of State Travel	600	700	0	0	7,000
Current Expense	123,500	104,500	0	40,800	88,200
DP Current Expense	600	600	82,600	0	9,000
DP Capital Outlay	0	0	4,600	0	0
Other Charges/Pass Thru	24,700	55,100	17,500	11,300	75,000
Total	\$174,600	\$179,200	\$104,700	\$53,000	\$264,500
Other Data					
Budgeted FTE	1.0	1.0	1.0	1.0	1.0

Table 6

THE DIVISION OF STATE HISTORY**Function**

The Division of State History was created to be the “authority for state history,” including archaeology and historic preservation. Its mission is “Preserving and sharing Utah’s past for the present and future.”¹

Statutory Authority

Statutory authority for the Division of State History is provided in UCA 9-8. The Division has responsibility over:

- preserving and interpreting historical and prehistoric resources;
- stimulating research, study, and activities on Utah’s history and prehistory;
- public interaction with resources, including a research library and publications;
- grants to heritage organizations;
- state and federal preservation laws and programs;
- cooperation with local, state, and federal entities related to history, prehistory, and preservation; and
- historic preservation for the state and acts as a state agency for the National Historic Preservation Program.

¹ DCC 2006 Annual Report

Funding Detail

Division of State History funding comes from General Fund and federal funds, with a small portion coming from dedicated credit revenues.

Budget History - Community and Culture - State History					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,733,600	1,838,600	1,870,900	2,074,100	2,308,800
General Fund, One-time	0	0	0	193,100	150,000
Federal Funds	482,500	514,000	672,600	644,000	818,700
Dedicated Credits Revenue	13,400	26,800	100,200	156,600	365,000
Beginning Nonlapsing	133,800	47,200	15,700	11,500	0
Closing Nonlapsing	(47,200)	(15,700)	(11,500)	(65,900)	0
Total	\$2,316,100	\$2,410,900	\$2,647,900	\$3,013,400	\$3,642,500
Programs					
Administration	535,800	614,700	599,700	656,300	640,800
Research Libraries and Collections	317,200	391,400	415,200	401,800	556,100
Public History and Education	301,100	312,900	342,500	375,700	420,900
Office of Preservation	1,043,000	1,018,100	1,231,400	1,382,400	1,786,400
History Projects and Grants	119,000	73,800	59,100	197,200	238,300
Total	\$2,316,100	\$2,410,900	\$2,647,900	\$3,013,400	\$3,642,500
Categories of Expenditure					
Personal Services	1,639,300	1,805,400	1,869,100	2,105,000	2,501,400
In-State Travel	11,800	16,300	17,200	15,700	3,300
Out of State Travel	19,800	21,600	25,400	39,600	7,900
Current Expense	366,800	413,400	512,600	505,000	718,400
DP Current Expense	36,900	23,300	35,900	65,800	44,900
DP Capital Outlay	0	0	5,900	0	16,000
Capital Outlay	0	0	10,200	(500)	16,000
Other Charges/Pass Thru	241,500	130,900	171,600	282,800	334,600
Total	\$2,316,100	\$2,410,900	\$2,647,900	\$3,013,400	\$3,642,500
Other Data					
Budgeted FTE	30.0	31.0	31.0	31.0	31.0
Vehicles	3	3	3	3	3

Table 7

ADMINISTRATION

Function

The Administration Program provides the organizational infrastructure that supports the Division of State History and the Utah State Historical Society. The Administration provides leadership, organizational and human resource management, fiscal and budgetary management, and planning.

Funding Detail

Administration funding is appropriated from the General Fund as shown in the table below.

Budget History - Community and Culture - State History - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	535,800	614,700	599,700	652,200	640,800
General Fund, One-time	0	0	0	4,100	0
Total	\$535,800	\$614,700	\$599,700	\$656,300	\$640,800
Categories of Expenditure					
Personal Services	215,800	248,600	261,700	303,700	351,100
In-State Travel	2,500	6,800	5,200	5,800	1,100
Out of State Travel	500	2,200	1,100	7,300	0
Current Expense	291,500	333,000	310,900	323,500	259,000
DP Current Expense	25,500	24,500	20,500	16,500	29,600
Capital Outlay	0	0	0	(500)	0
Other Charges/Pass Thru	0	(400)	300	0	0
Total	\$535,800	\$614,700	\$599,700	\$656,300	\$640,800
Other Data					
Budgeted FTE	4.0	3.0	3.0	3.0	3.0
Vehicles	3	3	3	3	3

Table 8

RESEARCH LIBRARY AND COLLECTIONS

Function

Research Library and Collections cares for historic documentary materials and artifacts held in trust for the citizens of Utah. The program has been in existence since 1897. The Utah History Research Center, jointly operated by State History and State Archives, provides public access to more than one million photos and documents, including State Archives records. The Research Center serves 15,800 patrons annually via customer walk-in visits, phone, mail, and e-mail requests.

The program also serves the public through the Internet. Thousands of photos are now online. The Cemeteries and Burials database receives millions of visits from historians and genealogists. The Markers and Monuments database is a vital repository of information on historic sites.

By preserving and sharing resources in a variety of ways, this program helps citizens of all ages learn, study, research, and write Utah history.

Funding Detail

The Research Library and Collections Program is funded by the General Fund with resources mainly earmarked for staffing.

Budget History - Community and Culture - State History - Research Libraries and Collections					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	316,900	364,600	378,500	360,800	423,600
General Fund, One-time	0	0	0	(1,200)	0
Dedicated Credits Revenue	300	26,800	36,700	42,200	132,500
Total	\$317,200	\$391,400	\$415,200	\$401,800	\$556,100
Categories of Expenditure					
Personal Services	298,900	358,200	356,800	345,000	415,900
In-State Travel	0	0	600	100	0
Out of State Travel	0	500	1,000	400	0
Current Expense	12,300	24,600	39,100	39,800	106,100
DP Current Expense	6,000	8,100	7,500	16,500	8,100
DP Capital Outlay	0	0	0	0	10,000
Capital Outlay	0	0	10,200	0	16,000
Total	\$317,200	\$391,400	\$415,200	\$401,800	\$556,100
Other Data					
Budgeted FTE	6.0	7.0	7.0	7.0	7.0

Table 9

PUBLIC HISTORY, EDUCATION, AND COMMUNICATIONS

Functions

The Public History, Education, and Communications Program has two components. Public History provides public education facilitates and documents research and publication of public history; and produces and publishes the *Utah Historical Quarterly*. In addition, the program provides history outreach, including assisting local historical groups with the gathering and dissemination of Utah’s written and oral history. The program also provides grants and technical assistance.

The Communications Program promotes public awareness about the diverse programs of the Division and communicates and educates the public about Utah history. The program manages three large web sites, online collections, a “kids” page, and general Utah history and archaeology site. The program also produces press releases, reports, brochures, etc.

Funding Detail

Funding for Public History, Education and Communications comes mainly from the General Fund. Most of the appropriation is used for staff support as shown by the table below.

Budget History - Community and Culture - State History - Public History and Education					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	301,100	312,900	339,900	355,000	385,900
General Fund, One-time	0	0	0	(1,000)	0
Federal Funds	0	0	2,600	21,700	35,000
Total	\$301,100	\$312,900	\$342,500	\$375,700	\$420,900
Categories of Expenditure					
Personal Services	280,000	293,900	308,300	334,500	381,700
In-State Travel	600	1,000	1,500	400	0
Out of State Travel	1,400	2,200	1,400	2,000	0
Current Expense	18,800	15,700	29,000	30,000	36,900
DP Current Expense	300	100	2,300	4,100	2,300
Other Charges/Pass Thru	0	0	0	4,700	0
Total	\$301,100	\$312,900	\$342,500	\$375,700	\$420,900
Other Data					
Budgeted FTE	5.0	5.0	5.0	5.0	5.0

Table 10

HISTORIC PRESERVATION AND ANTIQUITIES

Functions

The Historic Preservation and Antiquities Program is responsible for the following:

- Overseeing federal and state laws, consulting with agencies and other parties regarding historic and archaeological protection, and monitoring other work related to historic preservation and antiquities in the state.
- Assisting property owners and providing technical assistance with nominations to the National Register of Historic Places and with federal and state tax projects.
- Working with state and federal agencies and local governments; consulting regarding historical and archaeological sites, areas, and remains; and managing a strong Certified Local Government program.
- Educating Citizens about Utah’s cultural resources with magazines, posters, public events, and workshops, and supporting citizen involvement in site rehabilitation, protection, and research.
- Assuring that ancient human remains discovered on private/SITLA lands are given respectful and lawful treatment; proper analysis to determine cultural affiliation; holding landowners unharmed or unburdened by a discovery of ancient human remains on their property; and insuring that steps are taken to determine lawful ownership of recovered human remains.

- Maintaining site and survey records of historical and archaeological sites/areas on state-of-the-art databases. The data include location, descriptive information, reports, and associated records. By law, all agencies and individuals must check this data before conducting development projects on state and federal lands.

Accountability

This program measures success by increased Heritage Area development, number of archaeological records accessioned and sites and projects digitized in Geographic Information Systems; and leveraging of Certified Local Government grant funds to stimulate historic preservation activities.

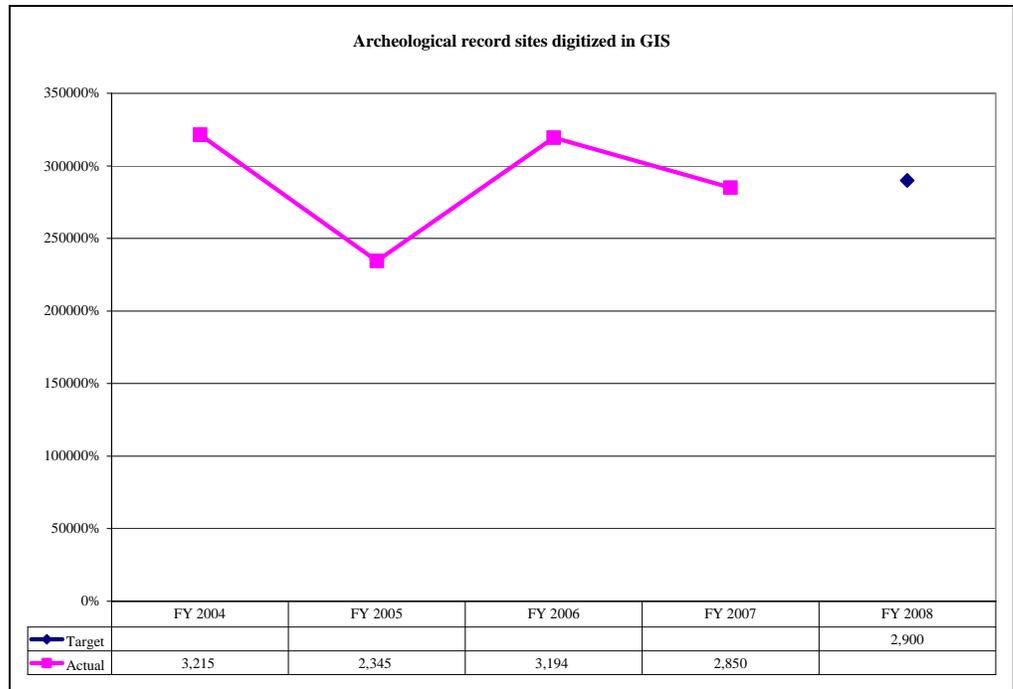


Figure 1

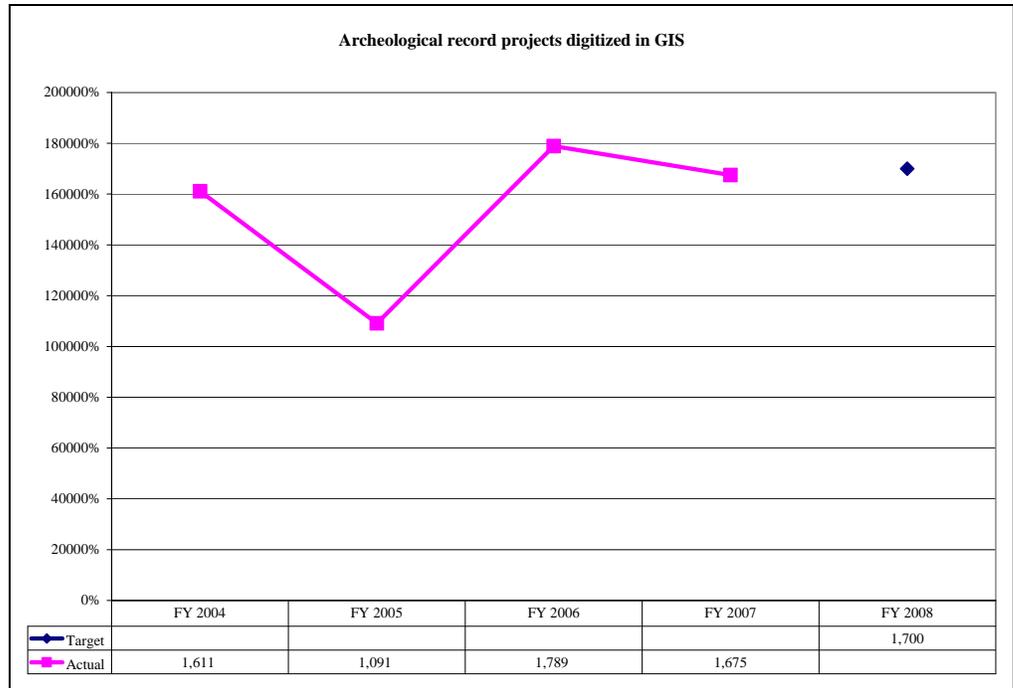


Figure 2



Figure 3

Funding Detail

Funding for preservation is from the General Fund and federal funds. Most of the funding for this program is utilized for staff support as shown below.

Budget History - Community and Culture - State History - Office of Preservation					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	559,900	504,100	497,900	599,500	770,200
General Fund, One-time	0	0	0	46,200	0
Federal Funds	470,000	514,000	670,000	622,300	783,700
Dedicated Credits Revenue	13,100	0	63,500	114,400	232,500
Total	\$1,043,000	\$1,018,100	\$1,231,400	\$1,382,400	\$1,786,400
Categories of Expenditure					
Personal Services	844,600	904,700	942,300	1,121,800	1,352,700
In-State Travel	8,700	8,500	9,900	9,400	2,200
Out of State Travel	17,900	16,700	21,900	29,900	7,900
Current Expense	44,200	40,100	131,900	110,700	316,400
DP Current Expense	5,100	0	5,600	28,700	4,900
DP Capital Outlay	0	0	5,900	0	6,000
Other Charges/Pass Thru	122,500	48,100	113,900	81,900	96,300
Total	\$1,043,000	\$1,018,100	\$1,231,400	\$1,382,400	\$1,786,400
Other Data					
Budgeted FTE	15.0	16.0	16.0	16.0	16.0

Table 11

HISTORY PROJECTS

Function

The History Projects Program administers state-funded grants to various organizations, including cemeteries and local history, preservation, and archaeological organizations. Heritage organizations statewide use and leverage the grants to implement projects that benefit Utah citizens and enhance communities.

Projects include preservation, education, cemetery digitization, oral histories, archaeological study, public programs, and the Utah History Fair.

Funding Detail

Funding for this program is passed through to eligible organizations. A history is provided below.

Budget History - Community and Culture - State History - History Projects and Grants					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	19,900	42,300	54,900	106,600	88,300
General Fund, One-time	0	0	0	145,000	150,000
Federal Funds	12,500	0	0	0	0
Beginning Nonlapsing	133,800	47,200	15,700	11,500	0
Closing Nonlapsing	(47,200)	(15,700)	(11,500)	(65,900)	0
Total	\$119,000	\$73,800	\$59,100	\$197,200	\$238,300
Categories of Expenditure					
Current Expense	0	0	1,700	1,000	0
DP Current Expense	0	(9,400)	0	0	0
Other Charges/Pass Thru	119,000	83,200	57,400	196,200	238,300
Total	\$119,000	\$73,800	\$59,100	\$197,200	\$238,300

Table 12

THE UTAH DIVISION OF ARTS AND MUSEUMS

Function The Division was originally organized in 1899 and was the first state arts agency in the nation. In fulfilling its mission the division broadens the availability and increases involvement in the arts by securing and distributing funds, providing training and development and providing education programs statewide.

Statutory Authority Statutory authority for the Utah Division of Fine Arts is provided in UCA 9-6. The statute authorizes the Council to “advance the interests of the arts, in all their phases, within the state of Utah.” Responsibilities include developing arts in education, involving the private sector, and cooperating with other governmental organization to promote the arts in the state. In 2006, the Divisions was consolidated with the Office of Museum Services and was renamed the Division of Arts and Museums.

Accountability The Division of Arts and Museums measures success by the leveraging of state competitive grants funding by arts organizations in general. The following figures show leverage of competitive grants dollars by arts organizations and in-kind donations for the program.

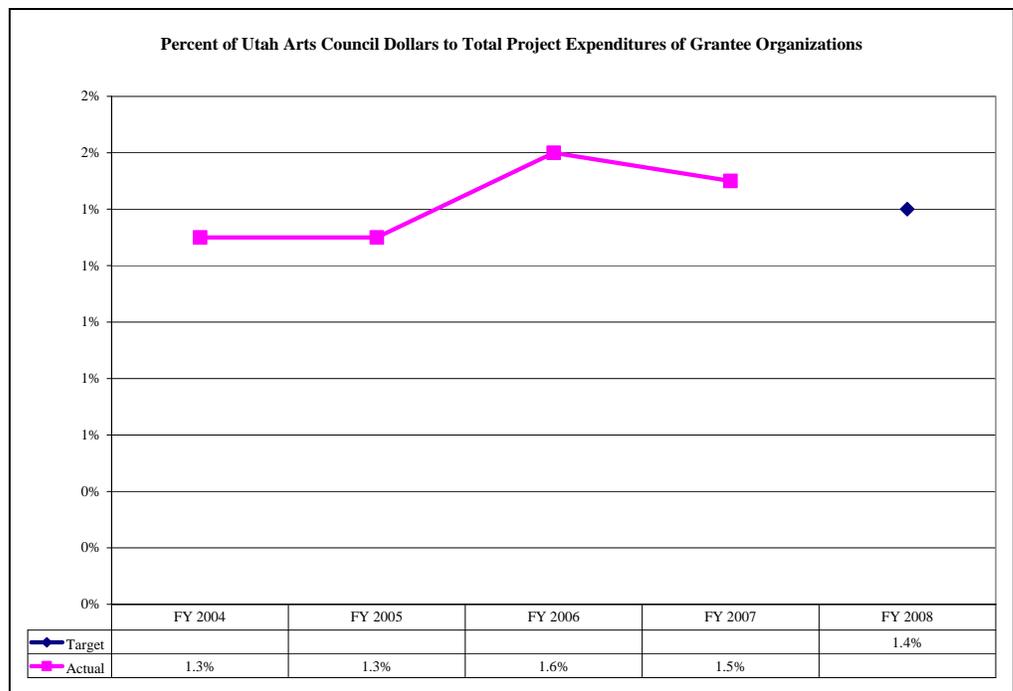


Figure 4

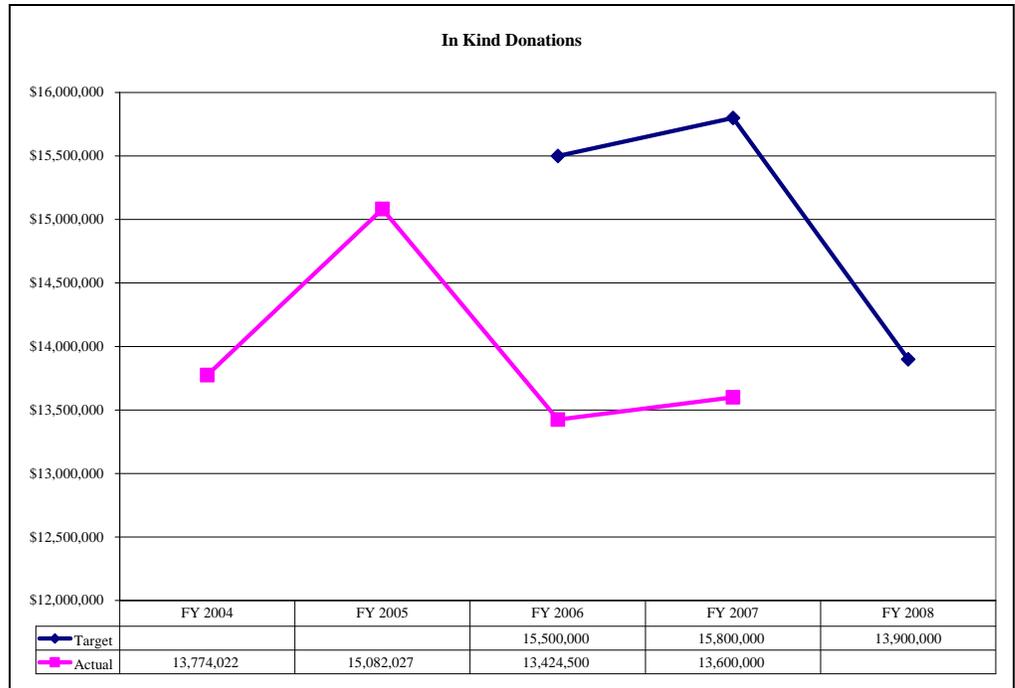


Figure 5

Funding Detail

The Division of Arts and Museums utilizes funding from both the General Fund and federal funds. Most of the federal funding comes from the National Endowment for the Arts. Funding is used for staff support and arts grants. The Division provides grants to over 200 non-profit organizations annually.

Budget History - Community and Culture - Arts and Museums					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	2,484,800	2,564,700	2,655,400	2,777,600	3,071,700
General Fund, One-time	0	0	50,000	254,100	1,320,000
Federal Funds	489,500	739,500	450,000	938,800	690,400
Dedicated Credits Revenue	93,600	84,800	83,900	75,500	151,900
Transfers	610,400	0	836,600	0	0
Pass-through	0	377,500	0	0	0
Beginning Nonlapsing	340,200	831,900	955,100	1,179,900	0
Closing Nonlapsing	(831,900)	(955,100)	(1,180,000)	(810,900)	0
Total	\$3,186,600	\$3,643,300	\$3,851,000	\$4,415,000	\$5,234,000
Programs					
Administration	512,100	567,500	596,600	717,400	681,800
Grants to Non-profits	960,200	1,076,700	1,334,400	1,184,200	2,566,000
Community Arts Outreach	1,714,300	1,999,100	1,920,000	2,513,400	1,986,200
Total	\$3,186,600	\$3,643,300	\$3,851,000	\$4,415,000	\$5,234,000
Categories of Expenditure					
Personal Services	1,152,700	1,245,000	1,378,100	1,503,400	1,632,200
In-State Travel	34,700	47,000	57,300	42,600	43,200
Out of State Travel	25,600	22,400	27,900	35,800	22,000
Current Expense	983,600	1,208,100	1,016,800	1,594,400	914,100
DP Current Expense	29,800	34,300	36,500	49,100	31,500
Capital Outlay	0	0	0	5,500	0
Other Charges/Pass Thru	960,200	1,086,500	1,334,400	1,184,200	2,591,000
Total	\$3,186,600	\$3,643,300	\$3,851,000	\$4,415,000	\$5,234,000
Other Data					
Budgeted FTE	21.4	22.0	22.0	22.0	22.0
Vehicles	1	1	3	2	2

Table 13

ADMINISTRATION

Function

The Utah Arts Council (UAC) was established as the first state-supported arts organization in the country in 1899. The Administration budget provides for 6-staff members, and the travel costs for the nearly 100-member advisory panels and the 13-member board. This program covers current expense costs and provides operating supplies and maintenance to the various UAC facilities including the Rio Grande Depot, Art House, Chase Home, and Glendinning Office.

The Administration works with the board and staff to develop and respond to division goals. The Administration also works on other arts related initiatives including the Zoo, Arts and Parks Initiative, the Museum of Utah Arts and History, the Utah Cultural Alliance and the Western States Arts Federation.

Staff attempts to increase public awareness by coordinating communication, and providing technical assistance to several groups.

Funding Detail

Administration uses its funding for staff support and other administrative operations. The program history is detailed below.

Budget History - Community and Culture - Arts and Museums - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	450,000	507,600	527,000	587,600	663,900
General Fund, One-time	0	0	0	11,700	0
Federal Funds	63,500	59,900	21,300	118,500	17,900
Closing Nonlapsing	(1,400)	0	48,300	(400)	0
Total	\$512,100	\$567,500	\$596,600	\$717,400	\$681,800
Categories of Expenditure					
Personal Services	359,500	378,300	408,100	489,400	452,900
In-State Travel	2,300	3,600	7,400	400	5,000
Out of State Travel	10,500	4,900	11,100	9,900	10,000
Current Expense	121,200	160,500	137,700	175,900	182,600
DP Current Expense	18,600	20,200	32,300	41,800	31,300
Total	\$512,100	\$567,500	\$596,600	\$717,400	\$681,800
Other Data					
Budgeted FTE	5.8	6.0	6.0	6.0	6.0

Table 14

GRANTS PROGRAM

Function

The Utah Division of Arts and Museums Grants Program to non-profits provides funding to more than 200 organizations each year. Activities are planned and carried out by grantees themselves and state money is always fully matched. The Grants Program assures the availability of quality affordable arts experiences for all Utahns. The Utah Division of Arts and Museums grants also act as a catalyst for private, business and other government contributions to arts projects and arts organizations. The Grants Program attempts to make arts available to everyone.

Funding Detail

Grant funding is passed through to local arts and cultural organizations. Funding comes from both Federal Funds and General Fund revenues.

Budget History - Community and Culture - Arts and Museums - Grants to Non-profits					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	902,800	876,100	865,400	910,200	1,021,000
General Fund, One-time	0	0	50,000	145,500	1,295,000
Federal Funds	163,000	265,600	265,600	316,600	250,000
Beginning Nonlapsing	20,100	125,700	182,600	(100)	0
Closing Nonlapsing	(125,700)	(190,700)	(29,200)	(188,000)	0
Total	\$960,200	\$1,076,700	\$1,334,400	\$1,184,200	\$2,566,000
Categories of Expenditure					
Other Charges/Pass Thru	960,200	1,076,700	1,334,400	1,184,200	2,566,000
Total	\$960,200	\$1,076,700	\$1,334,400	\$1,184,200	\$2,566,000

Table 15

ARTS OUTREACH

Function

The Outreach Program provides support to the various Utah Arts Council Community Outreach Programs (Arts Education, Community Partnerships, Folk Arts, Visual Arts, Traveling Exhibits, Literature, Individual Artist Endowments, and Public Art). Programmers design and respond to specific needs of communities. Program staff also administer the one-percent for the arts program and coordinate the public arts projects funded by the Division of Facilities and Construction Management. There are long-running state programs in this area such as the annual Original Writing Competition now in its 48th year, and the Statewide Annual Art Exhibition which has been held since 1899. These programs serve artists, school children, and urban area residents. They also direct special attention towards ethnic and rural communities, as well as underserved populations.

This program partners with various community representatives. Community co-sponsors provide matching funds and assist in carrying out programs. Services provided to co-sponsors may include technical assistance in helping a community organize a local arts council or helping to arrange a traveling exhibit in a community setting.

There are currently eight outreach programs within the Division of Arts and Museums.

Arts Education

Arts Education responds to the legislative mandate of 1899 to “advance the arts in all their phases.”² Arts Education mandate is to “embody and facilitate life-long learning in the arts for all Utahns.” The program partners with the Utah PTA, the Utah State Office of Education, Ririe-Woodbury Dance Company, Children’s Dance Theatre, and many other organizations. The

² UCA 9-6

program utilizes the direction established by the Utah State Office of Education which focuses on dance, theatre, music and visual arts.

Community/State Partnerships

As a partner and a resource, the Community/State Partnership Program provides a link between non-profit arts organizations and the state. Arts and cultural organizations need ongoing training and resource development to maintain the health of their organizations. These organizations are then better equipped to deal with changes in the arts environment. The Community/State Partnership Program offers professional and community development training, board retreats, strategic planning, conflict resolution and other technical assistance to arts organizations. A component of this program, The Utah Performing Arts Tour, offers nonprofit, local, regional, and national artists at affordable prices to communities throughout the state. The Tour encourages and supports professional artistic activities that otherwise might not take place. Artists are required to become a resident of the community for a day and provide the community with outreach activities as well as a full concert performance.

Folk Arts

The Folks Arts Program documents the traditional arts of Utah's cultural communities, and promotes public understanding of these traditions through the production of events and educational products. The program also administers grants that encourage the preservation of folk arts skills for future generations. This program exists to assist Utah's cultural communities in perpetuating their own artistic traditions and maintaining their unique identities by offering programs, opportunities and activities that nurture and celebrate traditional artists and art forms. Included among these artists and forms are rural cowboys and farmers, Native American, and other ethnic groups. The program identifies and documents artists and their work and protects the resulting photographs and recordings. Folk Art produces exhibits, audio-visual materials and publications; presents performances, demonstrations, workshops, lectures, radio shows and festivals. They also recognize master traditional artists through the purchase of folk art for the State Arts Collection; encourage perpetuation of traditional skills through apprenticeship grants; assist communities in developing and sharing their arts through Ethnic Arts Grants; and offer consultations and other forms of technical assistance to individuals and groups.

Visual Arts

The purpose of the Visual Arts Program is to foster and support visual artists statewide through fellowships, exhibitions, competitions, professional development workshops and information listing opportunities available to artists. The fellowship competition awards two fellowships per year to visual artists of exceptional ability. The artist's resource center provides information for opportunities and workshops on professional development to all artists. Two exhibit spaces (the Glendinning and Rio galleries) display artwork by Utah artists. The State Fine Art Collection consists of over 1,700 works of art

that have been collected since the late 1800's. These works are recorded, conserved and displayed by the Visual Arts Program in state owned buildings. The program produces a quarterly publication listing all opportunities available to individual artists

Traveling Exhibition

The Traveling Exhibition Program makes available professionally produced and presented art exhibits to non-profit educational institutions around the State of Utah. Each year twenty-one different exhibits are taken to approximately eighty locations throughout the state. Each exhibit has an educational component to help teachers explain various art forms. This program is especially useful in rural communities. Exhibits are delivered and installed and remain on location for an average of four weeks. Many communities around the state do not have access to museums or galleries and this is the only opportunity to view professional art. The program also provides Utah artists with a chance to market themselves and exhibit their work.

Literature Program

The Literature Program provides support and services to Utah's creative writing community. Literature is one of the artistic disciplines specified in the original legislation authorizing the Utah Arts Council 1899. The Literature Program sponsors contests, readings, workshops, and the publication of works by Utah authors. It also manages Utah's Poet Laureate program and arranges poetry readings for official state functions and communities throughout the state.

Public Art

Utah's Public Art Program came into existence in 1985 with passage of the Utah Percent-for-Art Act (Senate Bill 73). This legislation allocates 1 percent of construction costs for new or remodeled State buildings with sufficient public use, for the commissioning of public art specific to the facility and the agency housed in that facility. The legislation defines the mission of the Public Art Program to administer the appropriation set aside for public art, enhance the quality of life for Utahns by placing art of the highest quality in public spaces to be seen by the general public, promote and preserve appreciation for and exposure to the arts, foster cultural development in the State, and encourage the creativity and talents of Utah's artists and craftspeople. Utah's public art includes a variety of media, from architectural enhancing elements or landscape design to sculptures or paintings. Since the inception of the program and with the support of the Utah State Legislature for fifteen years, the Public Art Program has commissioned over 200 works of art in, on or around seventy facilities throughout the State. The wide variety in the collection ranges from sites in Blanding, St. George, Logan, Vernal and Tooele.

Individual Artist Endowment

The Individual Artist Endowment was funded in 1991 by the National Endowment for the Arts “with earned interest being paid to the Utah Arts Council to provide grants, fellowships and services for individual artist through a competitive application and jurying process.” About 20 artist grants are awarded each year, determined by peer review and volunteer panels in all disciplines. In addition the program co-edits a quarterly listing of opportunities for artists, ArtOps; provides regular professional development workshops for artists; helps maintain the Artist Resource Center at the Rio Grande Depot and assists in the formation of artist organizations. An annual exhibition of Artist Grantees and a biannual Benefit Performance of Artist Grantees showcases the art work.

Funding Detail

The Outreach Program is the largest component of the Utah Arts Council budget. Historical funding is split between the General Fund, federal funds, and dedicated credit revenues.

Budget History - Community and Culture - Arts and Museums - Community Arts Outreach					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,132,000	1,181,000	1,263,000	1,279,800	1,386,800
General Fund, One-time	0	0	0	96,900	25,000
Federal Funds	263,000	414,000	163,100	503,700	422,500
Dedicated Credits Revenue	93,600	84,800	83,900	75,500	151,900
Transfers	610,400	0	836,600	0	0
Pass-through	0	377,500	0	0	0
Beginning Nonlapsing	320,100	706,200	772,500	1,180,000	0
Closing Nonlapsing	(704,800)	(764,400)	(1,199,100)	(622,500)	0
Total	\$1,714,300	\$1,999,100	\$1,920,000	\$2,513,400	\$1,986,200
Categories of Expenditure					
Personal Services	793,200	866,700	970,000	1,014,000	1,179,300
In-State Travel	32,400	43,400	49,900	42,200	38,200
Out of State Travel	15,100	17,500	16,800	25,900	12,000
Current Expense	862,400	1,047,600	879,100	1,418,500	731,500
DP Current Expense	11,200	14,100	4,200	7,300	200
Capital Outlay	0	0	0	5,500	0
Other Charges/Pass Thru	0	9,800	0	0	25,000
Total	\$1,714,300	\$1,999,100	\$1,920,000	\$2,513,400	\$1,986,200
Other Data					
Budgeted FTE	15.6	16.0	16.0	16.0	16.0
Vehicles	1	1	3	2	2

Table 16

MUSEUM SERVICES

Function

The mission of the Office of Museum Services is to promote Utah museums and the role they play in the state as sources of community pride, centers of public education, and institutions that encourage economic development and tourism.

Statutory Authority Statutory Authority for the Office is provided in UCA 9-6-602 and provides for the following responsibilities:

- To care for and manage collections;
- To develop quality educational resources;
- To provide access to collections for research; and
- To identify and successfully compete for financial resources.

Funding Detail Museum Services is funded through the General Fund with most of the allocated resources being used for personal service costs, technical assistance and pass-through to local museums.

Budget History - Community and Culture - Arts and Museums - Museum Services - Office of Museum Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	310,900	420,900
General Fund, One-time	0	0	0	1,145,400	1,000,000
Beginning Nonlapsing	0	0	0	16,100	0
Closing Nonlapsing	0	0	0	(33,400)	0
Total	\$0	\$0	\$0	\$1,439,000	\$1,420,900
Categories of Expenditure					
Personal Services	0	0	0	152,000	149,700
In-State Travel	0	0	0	4,300	0
Out of State Travel	0	0	0	1,400	0
Current Expense	0	0	0	32,500	18,200
DP Current Expense	0	0	0	2,300	2,800
Capital Outlay	0	0	0	4,100	0
Other Charges/Pass Thru	0	0	0	1,242,400	1,250,200
Total	\$0	\$0	\$0	\$1,439,000	\$1,420,900
Other Data					
Budgeted FTE	0.0	0.0	0.0	2.0	2.0
Vehicles	0	0	0	1	1

Table 17

THE UTAH STATE LIBRARY DIVISION

Function The mission of the State Library is to “develop, advance, and promote library services and access to information.”³

Statutory Authority Statutory authority for the Utah State Library is provided in UCA 9-7. The statute provides the Division with the ability to function as the library authority for the state. It also gives them responsibility for “general library services, extension services, the preservation, distribution and exchange of state publications, legislative reference, and other services considered proper for a state library.”⁴

Funding Detail The Utah State Library Division utilizes funding from the General Fund, federal funds, and dedicated credit revenues.

Budget History - Community and Culture - State Library					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	4,002,100	4,139,600	4,396,200	4,767,500	5,195,700
General Fund, One-time	0	0	200,000	190,100	280,000
Federal Funds	1,434,400	1,255,100	1,675,200	1,675,800	1,605,000
Dedicated Credits Revenue	1,900,400	1,876,900	2,125,900	2,240,000	2,256,200
Transfers	0	0	0	0	0
Beginning Nonlapsing	22,700	10,400	0	16,900	0
Closing Nonlapsing	(10,400)	0	(16,900)	(27,100)	0
Total	\$7,349,200	\$7,282,000	\$8,380,400	\$8,863,200	\$9,336,900
Programs					
Administration	1,456,300	1,536,800	1,635,900	1,698,800	1,804,800
Blind and Physically Handicapped	1,419,100	1,427,200	1,560,900	1,663,100	1,648,500
Library Development	3,265,100	895,100	265,900	1,070,500	975,700
Library Resources	1,208,700	3,422,900	4,917,700	4,430,800	4,907,900
Total	\$7,349,200	\$7,282,000	\$8,380,400	\$8,863,200	\$9,336,900
Categories of Expenditure					
Personal Services	3,565,600	3,609,700	3,845,500	4,292,200	4,673,800
In-State Travel	47,100	48,100	45,300	51,100	44,300
Out of State Travel	19,300	28,200	39,800	46,200	43,700
Current Expense	2,297,900	2,395,700	2,775,100	2,656,000	2,630,000
DP Current Expense	146,200	166,000	221,700	290,600	238,500
DP Capital Outlay	84,900	13,500	29,300	0	0
Capital Outlay	0	148,700	130,200	245,000	115,000
Other Charges/Pass Thru	1,094,000	776,100	1,191,100	1,205,500	1,486,600
Operating Transfers	94,200	96,000	102,400	76,600	105,000
Total	\$7,349,200	\$7,282,000	\$8,380,400	\$8,863,200	\$9,336,900
Other Data					
Budgeted FTE	73.0	72.0	72.0	70.9	71.6
Vehicles	22	22	20	20	20

Table 18

³ Utah State Library Board

⁴ UCA 9-7

ADMINISTRATION

Function

The Administration Program provides general leadership and management for the State Library Division. The program works with state officials, advisory groups, boards, and professional associations to assure the accountability and responsiveness of the Divisions programs and services. It coordinates planning for the improvement of library services in Utah, and monitors legislation affecting libraries. The program’s functions include: leadership, planning, personnel, management, external relations; budgeting, accounting, purchasing. They also provide other organizational support functions like risk management and facilities and utilities control.

Funding Detail

The majority of the Administration funding is General Fund with a small portion appropriated from dedicated credit revenues. Most of the appropriation is used for staff support and the bond payment on the library building.

Budget History - Community and Culture - State Library - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,221,100	1,336,700	1,375,400	1,446,800	1,529,400
General Fund, One-time	0	0	0	3,500	0
Federal Funds	15,000	19,000	15,000	0	15,000
Dedicated Credits Revenue	217,600	206,200	262,400	258,700	260,400
Transfers	0	(35,500)	0	0	0
Beginning Nonlapsing	0	10,400	0	16,900	0
Closing Nonlapsing	2,600	0	(16,900)	(27,100)	0
Total	\$1,456,300	\$1,536,800	\$1,635,900	\$1,698,800	\$1,804,800
Categories of Expenditure					
Personal Services	336,400	377,700	413,900	465,100	522,000
In-State Travel	4,500	1,500	2,500	3,000	3,200
Out of State Travel	8,600	7,900	14,300	11,000	11,000
Current Expense	1,059,900	1,084,300	1,171,900	1,170,000	1,227,600
DP Current Expense	46,900	42,000	33,300	49,700	41,000
Capital Outlay	0	23,400	0	0	0
Total	\$1,456,300	\$1,536,800	\$1,635,900	\$1,698,800	\$1,804,800
Other Data					
Budgeted FTE	6.0	5.0	5.0	5.0	5.5

Table 19

BLIND AND DISABLED

Function

The State Library Division, Program for the Blind and Disabled serves the blind, learning and physically disabled of the entire state, assuring all appropriate public, non-public, or non-profit libraries are provided an opportunity to participate in the program. The purpose of the Library for the Blind and Disabled is to provide special library services to the targeted population by circulating library materials in alternative formats including Braille, large print, and recorded cassettes. The program also provides radio reading services. Approximately 1.4 percent of Utah’s population is blind or

physically disabled. Presently 34 percent of the target population is receiving service from the blind and physically disabled program.

Accountability

The major division objective is to “develop information resources and services and improve skills among Utah’s library directors and staffs, board members and government information providers.”⁵ The Blind and Disabled program uses the number of books and magazines circulated as a measure and the number of patrons served.

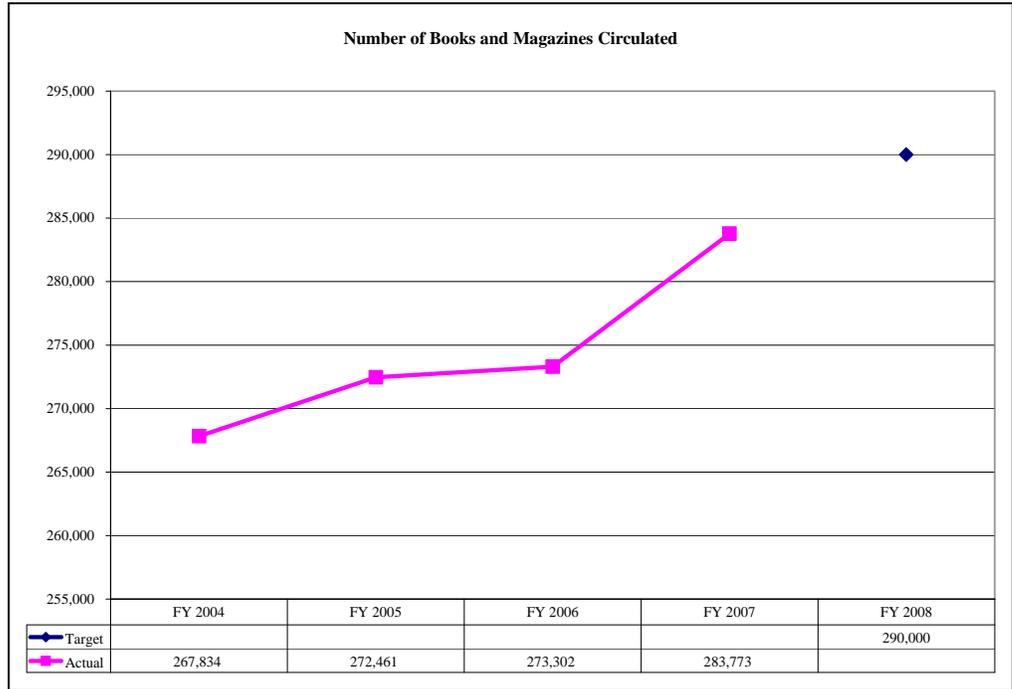


Figure 6

⁵ Strategic Plan for the Utah State Library 2005-2009

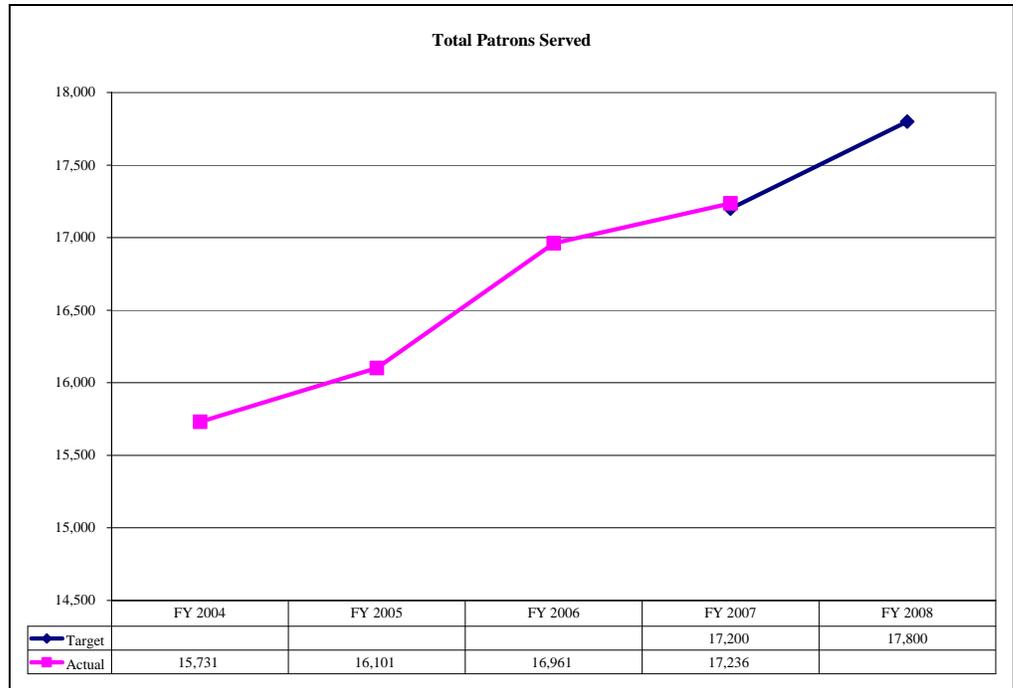


Figure 7

Funding Detail

Major funding for the Blind and Physically Disabled is from the General Fund, federal funds and dedicated credit revenues. Expenditures are targeted mainly for staff support.

Budget History - Community and Culture - State Library - Blind and Physically Disabled					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	717,400	791,600	777,800	875,200	872,800
General Fund, One-time	0	0	0	(4,300)	0
Federal Funds	99,600	106,500	202,200	135,700	111,000
Dedicated Credits Revenue	598,500	493,600	580,900	656,500	664,700
Transfers	0	35,500	0	0	0
Closing Nonlapsing	3,600	0	0	0	0
Total	\$1,419,100	\$1,427,200	\$1,560,900	\$1,663,100	\$1,648,500
Categories of Expenditure					
Personal Services	1,181,100	1,165,700	1,234,800	1,358,900	1,446,000
In-State Travel	500	1,100	2,400	1,000	2,400
Out of State Travel	4,700	7,500	6,100	8,600	9,100
Current Expense	155,400	158,500	190,200	226,500	161,800
DP Current Expense	67,400	59,800	78,600	52,200	29,200
DP Capital Outlay	10,000	13,500	29,300	0	0
Capital Outlay	0	21,100	19,500	15,900	0
Total	\$1,419,100	\$1,427,200	\$1,560,900	\$1,663,100	\$1,648,500
Other Data					
Budgeted FTE	26.0	26.0	26.0	24.5	25.5

Table 20

LIBRARY DEVELOPMENT

Function

The Library Development Program supports library services in all areas of the state’s library community. There is a particular focus on public library services provided by Utah’s cities and counties. This program helps ensure that local communities across Utah have access to the information resources and tools residents need to fully participate in the emerging technologies. The program assists libraries in achieving library certification and also helps existing libraries recertify.

The program administers and coordinates consulting services, a children’s summer reading program, library service standards, planning, competitive federal grants and library management information. Staff helps library directors and trustees solve problems, assess needs, make plans, set policies and find resources.

Accountability

Another objective of the Division is “advance library services and access to information for all of Utah’s residents through funding, technology, outreach, partnerships, and by effectively administering the Utah State Library.”⁶ The Library Development program is focused on this measure. Two success measures they are currently using are the percent of population 5-14 years being served by the summer reading program and the number of libraries offering summer reading programs.



Figure 8

⁶ Strategic Plan for the Utah State Library 2005-2009

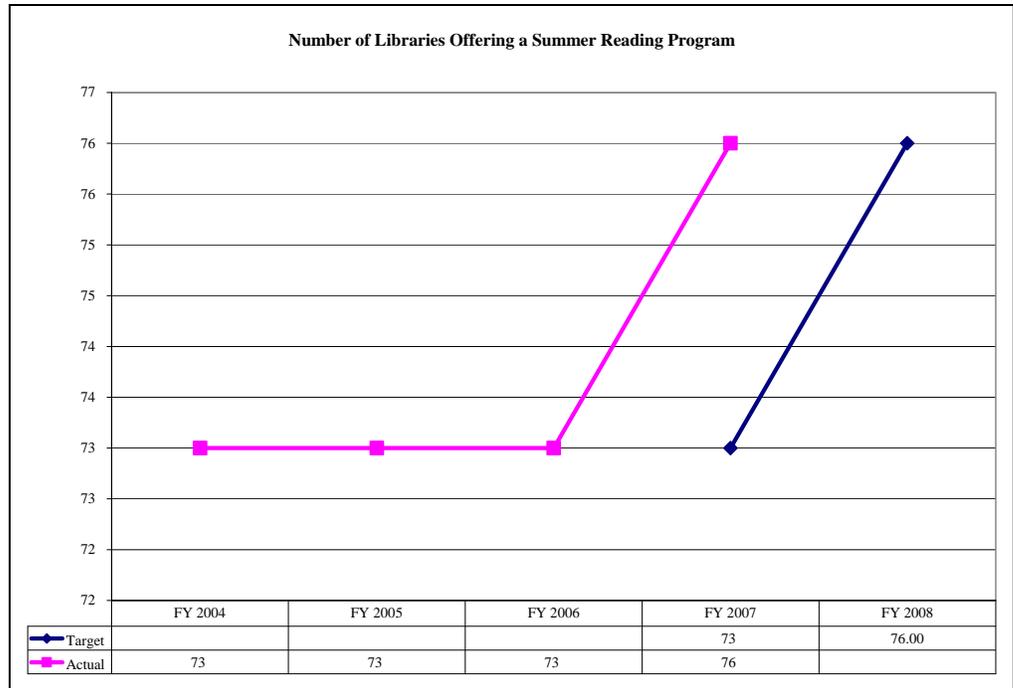


Figure 9

Funding Detail

Significant funding for Library Development comes from the General Fund and federal funds. Most of the funding for the program is used for staff support.

Budget History - Community and Culture - State Library - Library Development					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,282,900	392,900	200,700	180,200	630,500
General Fund, One-time	0	0	0	199,000	280,000
Federal Funds	860,100	502,200	65,200	691,300	65,200
Dedicated Credits Revenue	1,084,300	0	0	0	0
Beginning Nonlapsing	22,700	0	0	0	0
Closing Nonlapsing	15,100	0	0	0	0
Total	\$3,265,100	\$895,100	\$265,900	\$1,070,500	\$975,700
Categories of Expenditure					
Personal Services	1,527,800	434,300	216,600	368,300	440,200
In-State Travel	41,900	3,700	2,600	10,100	3,200
Out of State Travel	4,400	5,500	2,500	7,700	5,000
Current Expense	408,000	24,500	26,200	89,300	29,000
DP Current Expense	19,900	9,000	18,000	18,500	18,300
DP Capital Outlay	74,900	0	0	0	0
Other Charges/Pass Thru	1,094,000	418,100	0	576,600	480,000
Operating Transfers	94,200	0	0	0	0
Total	\$3,265,100	\$895,100	\$265,900	\$1,070,500	\$975,700
Other Data					
Budgeted FTE	31.0	32.0	32.0	4.0	5.0
Vehicles	22	22	4	4	4

Table 21

LIBRARY RESOURCES**Function**

The Library Resources Program administers and coordinates programs and activities that support libraries and state agencies. The program provides reference and interlibrary loan services for libraries and agencies statewide, giving particular support to the state's rural public library jurisdictions. Staff collect, catalog and distribute Utah state government publications to depository libraries and is creating a digital repository for state publications. The program provides a complete range of training for public library staffs across the state. Lender support within the program offers assistance to all types of libraries in Utah to encourage sharing of resources with other Utah libraries. The program also administers state-funded Community Library Enhancement Funds (CLEF) which are used to enhance operations at Utah's public libraries.

The program provides a wide variety of internet resources through Public Pioneer that are not available on the "free internet" including full-text magazines, newspapers, genealogy resources, auto repair, and business information. The program currently provides Bookmobile library services under contract to 15 counties.

Accountability

The Library Resources program has established benchmarks relative to ease of use by Utah residents of Pioneer online resources, efficiency and usage of Bookmobile services, effectiveness of training for library staffs across the state, and measures of resource sharing activities facilitated by the Utah State Library.

Funding Detail

Funding for Library Resources is from General Fund, federal funds and dedicated credit revenues. Overall funding is used for staff support, database purchase and maintenance and bookmobile services.

Budget History - Community and Culture - State Library - Library Resources					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	780,700	1,618,400	2,042,300	2,265,300	2,163,000
General Fund, One-time	0	0	200,000	(8,100)	0
Federal Funds	459,700	627,400	1,392,800	848,800	1,413,800
Dedicated Credits Revenue	0	1,177,100	1,282,600	1,324,800	1,331,100
Closing Nonlapsing	(31,700)	0	0	0	0
Total	\$1,208,700	\$3,422,900	\$4,917,700	\$4,430,800	\$4,907,900
Categories of Expenditure					
Personal Services	520,300	1,632,000	1,980,200	2,099,900	2,265,600
In-State Travel	200	41,800	37,800	37,000	35,500
Out of State Travel	1,600	7,300	16,900	18,900	18,600
Current Expense	674,600	1,128,400	1,386,800	1,170,200	1,211,600
DP Current Expense	12,000	55,200	91,800	170,200	150,000
Capital Outlay	0	104,200	110,700	229,100	115,000
Other Charges/Pass Thru	0	358,000	1,191,100	628,900	1,006,600
Operating Transfers	0	96,000	102,400	76,600	105,000
Total	\$1,208,700	\$3,422,900	\$4,917,700	\$4,430,800	\$4,907,900
Other Data					
Budgeted FTE	10.0	9.0	9.0	37.4	35.6
Vehicles	0	0	16	16	16

Table 22

DIVISION OF INDIAN AFFAIRS

- Function** The Utah Division of Indian Affairs (UDIA) was created in 1953. The Division exists to enhance intergovernmental relations by promoting growth and prosperity for tribes and American Indian citizens. The Division functions as a liaison between State, Tribal, federal and local governmental entities.
- Statutory Authority** Statutory authority for the Division of Indian Affairs is provided in UCA 9-9-103. Responsibilities established in statute are listed below:
- Develop programs that will allow Indian citizens residing on or off reservations an opportunity to share in the progress of Utah;
 - Promote an atmosphere in which Indian citizens are provided alternatives so that individual citizens may choose for themselves the kinds of lives they will live, both socially and economically;
 - Promote programs to help the tribes and Indian communities find and implement solutions to their community problems; and
 - Promote government-to-government relations between the state and tribal governments.
 - Provide information and referral services.
 - Responsible for repatriation of human remains in accordance with state (Native American Grave Protection and Repatriation Act) NAGPRA law.

Funding Detail

The Indian Affairs budget provides funding for three staff and administrative support for the staff. Most of the funding is from the General Fund however, a small allocation is from dedicated credit revenues.

Budget History - Community and Culture - Indian Affairs					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	205,200	210,500	254,300	238,700	249,300
General Fund, One-time	0	0	0	(300)	0
Federal Funds	24,100	1,400	0	0	0
Dedicated Credits Revenue	12,600	0	8,100	7,200	15,000
Transfers	25,000	0	0	0	0
Beginning Nonlapsing	7,200	13,500	0	52,900	0
Closing Nonlapsing	(13,500)	0	(52,900)	(50,900)	0
Lapsing Balance	0	(4,700)	0	0	0
Total	\$260,600	\$220,700	\$209,500	\$247,600	\$264,300
Programs					
Indian Affairs	260,600	220,700	209,500	247,600	264,300
Total	\$260,600	\$220,700	\$209,500	\$247,600	\$264,300
Categories of Expenditure					
Personal Services	172,200	167,000	168,000	189,100	195,900
In-State Travel	5,100	4,500	7,200	9,600	7,200
Out of State Travel	4,000	4,200	2,800	9,400	2,800
Current Expense	77,200	35,500	25,000	35,200	51,700
DP Current Expense	1,700	1,800	4,100	2,300	4,300
Other Charges/Pass Thru	400	7,700	2,400	2,000	2,400
Total	\$260,600	\$220,700	\$209,500	\$247,600	\$264,300
Other Data					
Budgeted FTE	3.0	3.0	3.0	3.0	3.0

Table 23

THE DIVISION OF HOUSING AND COMMUNITY DEVELOPMENT

Function	<p>The Division of Housing and Community Development enhances quality of life for Utah citizens through the development of community infrastructure, affordable housing and assistance programs.</p> <p>The Division manages a capital budget and provides administrative support and programmatic oversight to many boards and committees.</p>
Statutory Authority	<p>Statutory authority for the Division of Housing and Community Development is provided in UCA 9-4. The Division's responsibilities are to:</p> <ul style="list-style-type: none">➤ Assist local government and citizens develop and maintain community infrastructure.➤ Cooperate with and provide technical assistance to groups related to housing and community development.➤ Coordinate development projects with the Governor and state agencies.➤ Serve as a clearinghouse for data needed for state, local and federal development projects.➤ Study and make recommendations related to community development projects.➤ Assist in developing affordable housing and help in addressing the problems of homelessness.➤ Provide grants, loans and other forms of public assistance.➤ Assist local efforts related to community action programs, planning, development, home weatherization, energy efficiency and anti-poverty projects.➤ Support volunteer efforts in the state.
Accountability	<p>The success of the Division of Housing and Community Development is measured by increases in affordable housing, decreases in the chronically homeless and poverty-ridden populations, providing technical and financial assistance in housing, homeless, community development and other projects, and enhancing the quality of life for Utah citizens.</p>

Funding Detail

Most of the funding for Housing and Community Development is from federal funds. The General Fund is the second largest funding source. A history of the program is presented below.

Budget History - Community and Culture - Housing and Community Development					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	3,519,400	3,909,700	3,700,600	3,538,900	7,761,200
General Fund, One-time	2,000,000	0	2,516,700	11,844,900	1,720,000
Federal Funds	32,749,900	32,512,900	31,396,700	34,896,400	40,624,600
Dedicated Credits Revenue	948,500	498,700	626,300	949,400	1,802,200
GFR - Homeless Trust	550,000	650,000	850,000	850,000	1,350,000
Permanent Community Impact	2,262,200	886,300	844,100	903,000	1,023,600
Transfers	3,606,000	72,400	0	26,000	0
Beginning Nonlapsing	636,200	91,600	26,400	105,200	0
Closing Nonlapsing	(91,700)	(26,400)	(121,400)	(4,232,400)	0
Lapsing Balance	(23,000)	(106,200)	0	(49,200)	0
Total	\$46,157,500	\$38,489,000	\$39,839,400	\$48,832,200	\$54,281,600
Programs					
Community Development Admin	850,600	491,100	531,800	583,100	642,700
Ethnic Office	659,800	762,900	780,300	839,200	885,900
Museum Services	295,800	376,200	2,718,000	0	0
Community Assistance	12,839,700	8,426,800	6,789,300	7,905,400	15,041,300
Housing Development	1,741,200	1,172,200	717,100	8,579,200	1,159,700
Special Housing	320,300	202,800	171,200	96,800	143,000
Homeless Committee	2,918,200	2,984,800	3,299,700	3,218,800	3,905,400
HEAT	15,335,900	12,387,400	14,813,700	15,706,300	18,791,600
Weatherization Assistance	6,209,100	5,932,100	4,781,300	5,605,600	6,848,500
Community Services	3,342,000	3,574,000	2,911,700	3,342,300	3,320,600
Commission on Volunteers	1,466,600	1,964,400	2,024,300	2,682,400	3,229,100
Emergency Food Network	178,300	214,300	301,000	273,100	313,800
Total	\$46,157,500	\$38,489,000	\$39,839,400	\$48,832,200	\$54,281,600
Categories of Expenditure					
Personal Services	2,994,400	3,254,400	3,649,900	3,628,800	4,386,900
In-State Travel	72,800	69,100	74,600	86,500	91,300
Out of State Travel	60,200	51,600	68,000	95,200	80,200
Current Expense	770,600	688,100	482,600	993,700	884,600
DP Current Expense	64,400	83,500	178,600	102,800	6,468,600
DP Capital Outlay	404,100	0	2,723,200	59,000	235,000
Other Charges/Pass Thru	41,791,000	34,342,300	32,662,500	43,866,200	42,135,000
Total	\$46,157,500	\$38,489,000	\$39,839,400	\$48,832,200	\$54,281,600
Other Data					
Budgeted FTE	52.6	52.0	52.0	53.5	51.5
Vehicles	0	0	1	1	1

Table 24

ADMINISTRATION

Function

Administration provides leadership to and financial management of division programs.

Funding Detail

Funding for the Administration Program is mainly from General Fund and the Permanent Community Impact Fund.

Budget History - Community and Culture - Housing and Community Development - Community Development Adm.					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	107,900	115,300	122,000	163,600	199,700
General Fund, One-time	0	0	0	(1,400)	0
Permanent Community Impact	350,200	363,900	415,400	420,400	443,000
Beginning Nonlapsing	408,200	15,600	0	5,400	0
Closing Nonlapsing	(15,700)	0	(5,600)	(4,900)	0
Lapsing Balance	0	(3,700)	0	0	0
Total	\$850,600	\$491,100	\$531,800	\$583,100	\$642,700
Categories of Expenditure					
Personal Services	497,900	571,800	556,200	508,400	652,600
In-State Travel	3,000	1,800	1,700	5,700	3,700
Out of State Travel	9,100	3,700	4,900	21,300	8,000
Current Expense	(68,700)	(92,000)	(52,400)	(23,600)	(61,900)
DP Current Expense	5,600	5,800	21,400	12,300	40,300
DP Capital Outlay	403,700	0	0	59,000	0
Total	\$850,600	\$491,100	\$531,800	\$583,100	\$642,700
Other Data					
Budgeted FTE	8.0	6.0	6.0	8.5	8.5

Table 25

OFFICE OF ETHNIC AFFAIRS

Function

The Office of Ethnic Affairs began as separate state entities representing four of the state’s ethnic minority populations. They were established by executive order by the Governor of the State of Utah in 1996. In 2005, the four offices, along with the Martin Luther King Human Rights Commission were combined into one managerial entity, the Office of Ethnic Affairs. The office has specific representation from the four ethnic minority populations: Asian, Black, Hispanic/Latino and Pacific Islanders.

The Governor appoints a director to oversee the Office of Ethnic Affairs and a representative for each ethnic minority community. The expectations of the program are outlined in the executive order:

1. that state government should be responsive to all citizens;
2. that close communications between these citizens and the Governor is necessary to maintain a responsive government; and,
3. state government should advocate and promote cooperation and understanding between government agencies and ethnic citizens.⁷

To ensure that these needs are met, the Office is mandated with the following:

⁷ Utah Executive Order August 20, 1996 – Governor Leavitt

- to meet with respective Advisory Councils on a regular basis to address the council’s findings and recommendations regarding the state government’s responsiveness;
- to review state policy, agencies, programs, and projects to determine impact on the community;
- to inform and recommend to state agencies and other entities how they can increase or improve responsiveness.
- to develop a work plan that addresses identified state issues and set monitoring strategies;
- to inform each respective community about available state resources; and
- to report to the Governor’s Office on an annual basis about the state government’s responsiveness to the communities of Utah and other issues impacting these citizens.

Funding Detail

Funding for the Office of Ethnic Affairs is appropriated from the General Fund and dedicated credit revenues.

Budget History - Community and Culture - Housing and Community Development - Ethnic Office					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	582,400	608,100	848,600	839,700	782,900
General Fund, One-time	0	0	(23,300)	(2,400)	0
Dedicated Credits Revenue	55,300	115,700	0	0	103,000
Beginning Nonlapsing	61,200	39,100	0	45,000	0
Closing Nonlapsing	(39,100)	0	(45,000)	(43,100)	0
Total	\$659,800	\$762,900	\$780,300	\$839,200	\$885,900
Categories of Expenditure					
Personal Services	496,300	521,700	690,500	694,300	776,300
In-State Travel	6,300	4,300	5,100	5,900	6,500
Out of State Travel	13,600	5,900	6,200	6,800	9,000
Current Expense	109,400	195,300	73,800	123,900	87,500
DP Current Expense	5,000	8,100	4,600	6,900	6,600
DP Capital Outlay	400	0	0	0	0
Other Charges/Pass Thru	28,800	27,600	100	1,400	0
Total	\$659,800	\$762,900	\$780,300	\$839,200	\$885,900
Other Data					
Budgeted FTE	10.3	13.0	13.0	10.0	13.0

Table 26

COMMUNITY ASSISTANCE

Function

The Community Assistance program administers the federal Community Development Block Grant (CDBG). It also provides staff leadership for and financial management of the Permanent Community Impact Fund, the Navajo Revitalization Fund, the Uintah Basin Revitalization Fund, and the Private Activity Bond.

The Community Development Block Grant

The Community Development Block Grant program provides funds in the state's non-entitlement communities for public facilities, infrastructure housing and economic development opportunities. (Non-entitlement communities are defined as those cities or counties with populations of less than 50,000 or 200,000 people respectively. Entitlement communities get their CDBG funds directly from the U.S. Department of Housing and Urban Development.) The Community Development Block Grant Policy Committee is made up of elected officials from each of the seven Association of Government offices and provides oversight of the program.

The Community Development Block Grant Program is a federal program funded through the Department of Housing and Urban Development. It is authorized by Executive Order dated November 1, 1985. The program is primarily a tool for community development to create and maintain a suitable living environment. However, the program also has a significant economic development component. CDBG has capitalized six regional revolving loan funds in the state and also offers interim loans to eligible businesses.

The Permanent Community Impact Fund

The Permanent Community Impact Fund is defined in the Community Development Capital Program. Administrative funding and costs for staff support and board expenses as well as staff time spent on Federal Mineral Lease and Exchanged Land Mineral Lease receipt analysis for the state are included in the Community Assistance program.

Navajo Revitalization Fund Board and the Uintah Basin Revitalization fund Board

The Navajo Revitalization Fund Board and the Uintah Basin Revitalization Fund Board are authorized in statute to maximize the long-term benefit of state severance taxes paid on oil and natural gas production. Revenue from these taxes fund grants and loans to agencies of the state, county or tribal government in San Juan County for the benefit of the Navajo Nation members and for Ute Indian Tribe members of the Uintah and Ouray Reservation in Duchesne and Uintah counties. Administrative costs for staff support are included in the Community Assistance program.

The Private Activity Bond (PAB)

The Private Activity Bond (PAB) is Utah's tax-exempt bonding authority creating a lower cost, long-term source of capital under the Federal Tax Act of 1986. Administrative costs for staff support are included in the Community Assistance program.

Funding Detail

Most of the funding for the Community Assistance comes from the federal government. The resources are then used to pass on to local communities to support infrastructure type projects.

Budget History - Community and Culture - Housing and Community Development - Community Assistance					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	139,000	233,900	138,900	189,900	4,239,600
General Fund, One-time	2,000,000	0	0	11,110,100	1,470,000
Federal Funds	8,788,700	7,670,500	6,185,000	0	8,551,100
Dedicated Credits Revenue	0	0	36,700	122,800	200,000
Permanent Community Impact	1,912,000	522,400	428,700	482,600	580,600
Closing Nonlapsing	0	0	0	(4,000,000)	0
Total	\$12,839,700	\$8,426,800	\$6,789,300	\$7,905,400	\$15,041,300
Categories of Expenditure					
Personal Services	420,600	439,500	590,200	406,500	826,900
In-State Travel	30,800	28,300	34,300	28,900	37,300
Out of State Travel	4,600	2,200	3,100	4,200	3,900
Current Expense	304,600	173,600	129,000	192,300	340,400
DP Current Expense	3,500	2,900	13,200	3,500	4,800
Other Charges/Pass Thru	12,075,600	7,780,300	6,019,500	7,270,000	13,828,000
Total	\$12,839,700	\$8,426,800	\$6,789,300	\$7,905,400	\$15,041,300
Other Data					
Budgeted FTE	7.8	7.0	7.0	9.0	7.0

Table 27

HOUSING DEVELOPMENT

Function

The purpose of the Olene Walker Housing Loan Fund (OWHLF) is to provide funding for acquisition, rehabilitation, or new construction of the highest quality housing possible at a reasonable cost to insure that low and moderate income residents of the state have access to affordable, safe, decent and sanitary housing. Loans and other financial assistance are made for multiple family rental properties, single family rehabilitation and home ownership assistance and for special needs housing for the homeless. These and other activities assist in improving the availability and quality of housing for low income persons statewide.

Statutory Authority

Statutory Authority for the Olene Walker Housing Loan Fund (OWHLF) is found in UCA 9-4-701 to 708. The statute sets up the requirements for distribution of state and federal funds. Funding is utilized for both loans and grants as provided in statute.

Accountability

The success of Housing Development is measured by the new affordable housing units created or rehabilitated.

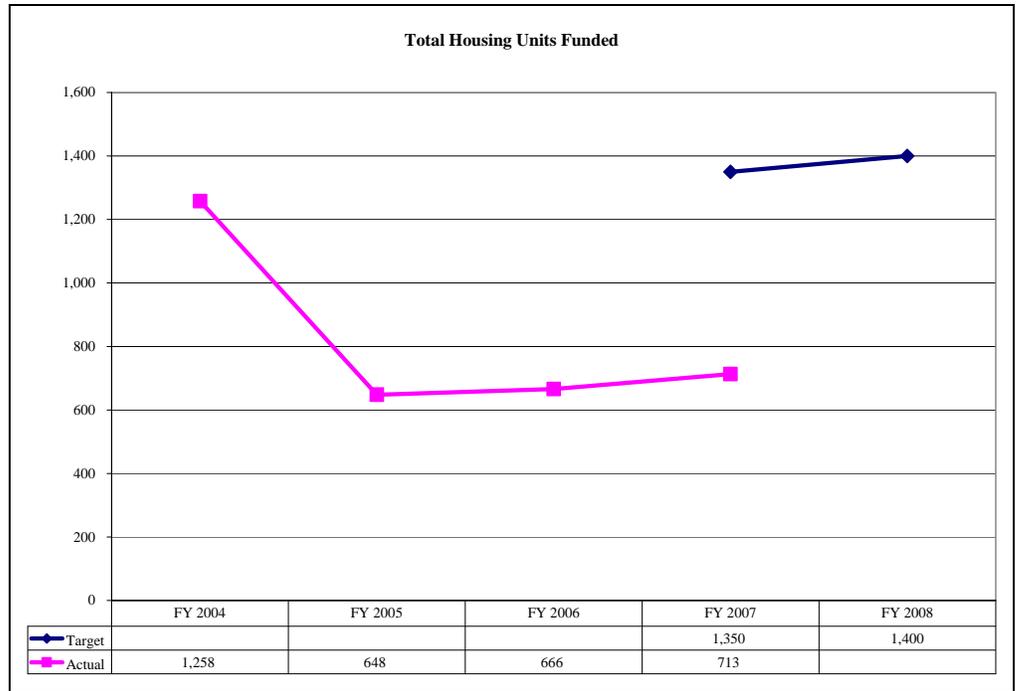


Figure 10

Funding Detail

Funding for housing development is from the federal government and General Fund.

Budget History - Community and Culture - Housing and Community Development - Housing Development					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	415,700	531,700	271,300	289,800	310,600
General Fund, One-time	0	0	0	139,300	0
Federal Funds	1,144,000	616,500	455,800	8,124,100	849,100
Dedicated Credits Revenue	165,600	0	0	0	0
Transfers	0	0	0	26,000	0
Beginning Nonlapsing	39,900	24,000	0	10,000	0
Closing Nonlapsing	(24,000)	0	(10,000)	(10,000)	0
Total	\$1,741,200	\$1,172,200	\$717,100	\$8,579,200	\$1,159,700
Categories of Expenditure					
Personal Services	430,700	584,700	587,800	633,300	769,900
In-State Travel	7,000	7,300	11,500	17,900	13,100
Out of State Travel	10,900	6,000	12,900	22,600	14,500
Current Expense	88,300	92,200	(69,400)	178,500	120,800
DP Current Expense	3,200	4,500	4,900	8,900	6,400
DP Capital Outlay	0	0	0	0	235,000
Other Charges/Pass Thru	1,201,100	477,500	169,400	7,718,000	0
Total	\$1,741,200	\$1,172,200	\$717,100	\$8,579,200	\$1,159,700
Other Data					
Budgeted FTE	6.6	7.0	7.0	9.0	9.0

Table 28

SPECIAL HOUSING

Function

The Special Housing program pays for utilities, building renovations and leased space for the homeless and those with low incomes. It also provides housing for the chronically mentally ill, disabled homeless and AIDS victims. All resources are federal funds but only one program, Housing Opportunities for Persons with AIDS (HOPWA), is a formula grant. All other funding, including the Shelter Plus Care Program and Rural Development, are competitive grants.

Funding Detail

Funding for Special Housing comes from federal funds and is passed through to eligible entities.

Budget History - Community and Culture - Housing and Community Development - Special Housing					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Federal Funds	320,300	202,800	171,200	96,800	143,000
Total	\$320,300	\$202,800	\$171,200	\$96,800	\$143,000
Categories of Expenditure					
Personal Services	1,700	3,200	1,800	4,900	3,400
Out of State Travel	0	0	1,200	0	0
Current Expense	200	400	400	0	0
Other Charges/Pass Thru	318,400	199,200	167,800	91,900	139,600
Total	\$320,300	\$202,800	\$171,200	\$96,800	\$143,000
Other Data					
Budgeted FTE	0.1	0.0	0.0	0.0	0.0

Table 29

HOMELESS PROGRAMS/PAMELA ATKINSON HOMELESS TRUST FUND**Function**

The Pamela Atkinson Homeless Trust Fund was created in 1983. It is administered by the State Community Services Office under the direction of the State Homeless Coordinating Committee (SHCC). Programs include Critical Needs Housing, Emergency Shelter Grants and the Pamela Atkinson Homeless Trust Fund. Programs provide statewide funding to social service agencies for homeless services.

The SHCC was established to facilitate a better understanding of the concept of homelessness in the community and to assist in the allocation of homeless funds received from the state and federal government. Funds are disbursed in a competitive process to private and public non-profit providers of homeless services, local housing authorities, and associations of governments to support efforts to create affordable housing, shelter and support services for homeless individuals and families and victims of domestic violence.

The SHCC provides funds through the Pamela Atkinson Homeless Trust Fund and other programs to public and non-profit entities that provide services to the homeless, poor, and victims of domestic violence across the state. More than 80 agencies provide services that assist these families and individuals to become self-sufficient. Methods used include, but are not limited to, rental assistance, temporary shelter, transitional housing, case management and mental health services.

The SHCC also coordinates the State's 10-Year Plan to end chronic homelessness. In concert with the Housing First model the program coordinates permanent supportive housing with comprehensive integrated services such as mental health counseling, substance abuse counseling, social security issues, veteran's issues etc. The 10-Year Plan was drafted in 2004 and local implementation continues.

Accountability

The program measures the number of homeless moved to self-sufficiency, shelter nights provided, and other assistance provided to gauge their success. In addition, success is measured by the increase in permanent supportive housing for the homeless, participation in a statewide information service to measure client progress and identify gaps in services to individuals and families, and increased collaboration and access to services by the chronically homeless. Actual data for these measures is available through the Homeless Management Information System (HMIS), a database and information collection program funded by HUD.

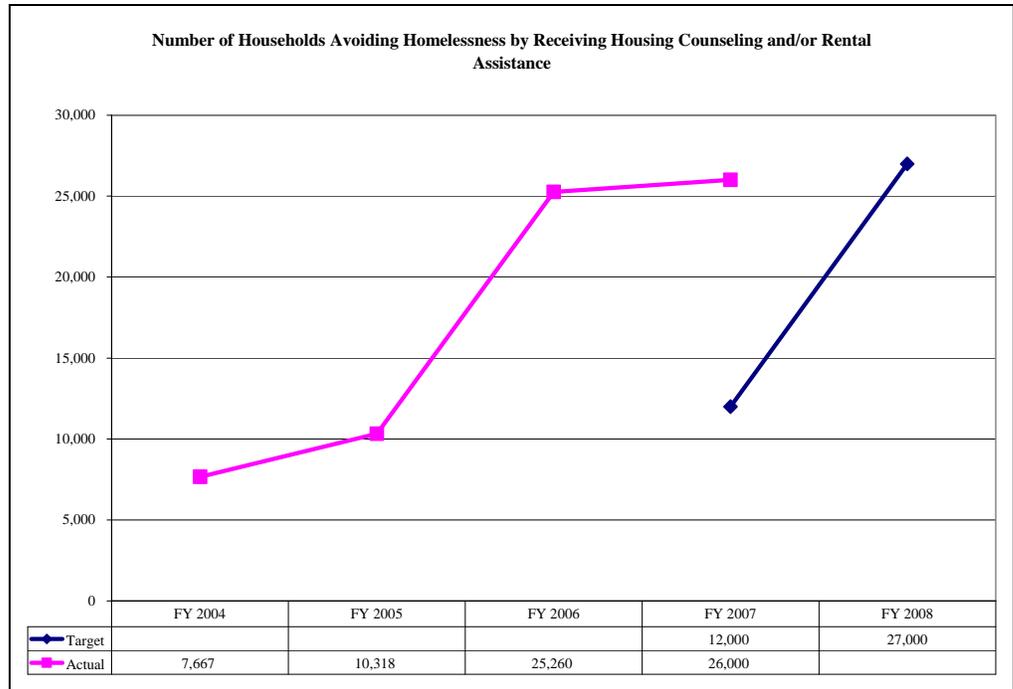


Figure 11

Funding Detail

Funding from the Homeless Committee comes from the General Fund, federal funds, donations from the Utah State Individual Income Tax Form and other and dedicated credit revenues. Most of the funding is passed through to homeless providers in the state to provide services.

Budget History - Community and Culture - Housing and Community Development - Homeless Committee					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,659,900	1,660,400	1,666,100	1,672,400	1,679,500
General Fund, One-time	0	0	0	100	0
Federal Funds	731,300	776,900	818,500	844,800	875,900
GFR - Homeless Trust	550,000	650,000	850,000	850,000	1,350,000
Beginning Nonlapsing	0	0	0	34,900	0
Closing Nonlapsing	0	0	(34,900)	(134,200)	0
Lapsing Balance	(23,000)	(102,500)	0	(49,200)	0
Total	\$2,918,200	\$2,984,800	\$3,299,700	\$3,218,800	\$3,905,400
Categories of Expenditure					
Personal Services	108,300	113,900	153,300	206,300	141,500
In-State Travel	1,600	1,500	3,900	4,800	4,500
Out of State Travel	800	5,800	9,800	11,900	10,000
Current Expense	15,100	36,200	54,200	52,200	39,300
DP Current Expense	800	1,400	1,500	1,900	2,000
Other Charges/Pass Thru	2,791,600	2,826,000	3,077,000	2,941,700	3,708,100
Total	\$2,918,200	\$2,984,800	\$3,299,700	\$3,218,800	\$3,905,400
Other Data					
Budgeted FTE	1.0	2.0	2.0	2.0	2.0

Table 30

Restricted Funds Summary - Homeless Committee				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Pamela Atkinson Homeless Trust Account	U.C.A. 9-4-803	General Fund	To provide homeless services statewide.	\$217,246

Table 31

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP/HEAT)/UTAH TELEPHONE ASSISTANCE PROGRAM (UTAP)

Function

The federal Low-Income Home Energy Assistance Program (LIHEAP), which also operates under the state title of Home Energy Assistance Target (HEAT) Program, is a 100 percent federally-funded block grant program used to provide utility assistance to low-income households during the winter months. This program is administered in partnership with local agencies such as the Associations of Government (AOGs) and non-profit agencies.

The HEAT program provides the following services:

1. home heating assistance during the winter to low-income, elderly, and disabled households;

2. home weatherization to improve energy efficiency and decrease utility costs for low-income, elderly, and disabled households;
3. utility crisis intervention assistance to low-income, elderly and disabled households to prevent utility services from being disconnected;
4. administration and coordination of the utility moratorium program;
5. certification of eligibility for the Home Electric Lifeline Program (HELP).

Benefit funds that are unused at the end of the heat season (typically, November through March), can be sub-awarded for home weatherization activity (between 15-25 percent of the total original award).

The Utah Telephone Assistance Program (UTAP) provides low-income families at 135 percent below the poverty level and/or families receiving public assistance with a discount on their monthly telephone bill and/or and installation rebate.

Accountability

The HEAT program tracks the applications process to measure the number of families served.

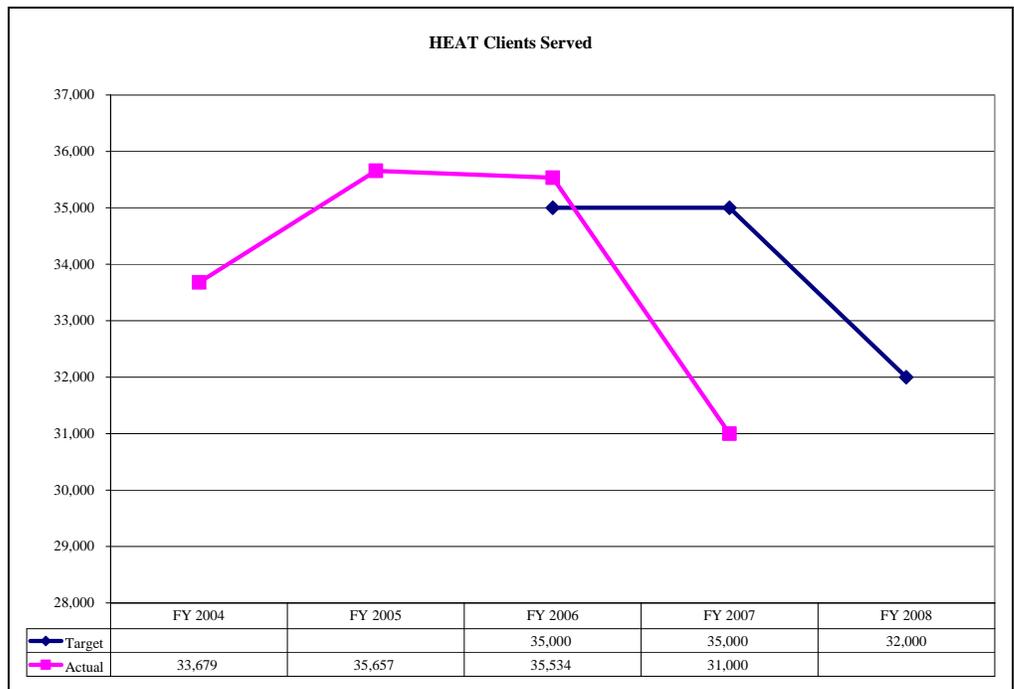


Figure 12

Funding Detail

Funding for the HEAT program is federal funds; funding for UTAP and HELP are provided through dedicated credit revenues.

Budget History - Community and Culture - Housing and Community Development - HEAT					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund, One-time	0	0	0	500,000	0
Federal Funds	15,304,800	12,354,000	14,624,100	15,015,900	18,540,400
Dedicated Credits Revenue	31,100	33,400	189,600	190,400	251,200
Total	\$15,335,900	\$12,387,400	\$14,813,700	\$15,706,300	\$18,791,600
Categories of Expenditure					
Personal Services	206,400	213,000	251,800	282,200	352,700
In-State Travel	3,500	4,700	3,300	2,500	5,400
Out of State Travel	6,200	3,100	6,900	4,900	8,700
Current Expense	108,500	122,600	161,100	182,400	171,200
DP Current Expense	40,600	50,200	121,700	58,700	133,200
Other Charges/Pass Thru	14,970,700	11,993,800	14,268,900	15,175,600	18,120,400
Total	\$15,335,900	\$12,387,400	\$14,813,700	\$15,706,300	\$18,791,600
Other Data					
Budgeted FTE	4.4	4.0	4.0	4.0	4.0

Table 32

WEATHERIZATION ASSISTANCE

Functions

The Weatherization Assistance program helps reduce energy consumption and utility bills for low-income households. Priority is given to the elderly, disabled, families with pre-school age children, those with very high heating bills, and other at-risk households. Utah residents who are below 125 percent of the federal poverty guidelines are eligible for a one-time non-cash grant to make energy efficient improvements to their homes. In addition to energy efficiency, the program seeks to increase health and safety through heating system improvements and to increase the overall comfort of the occupants.

The Division administers the program through local government and non-profit agencies. Primary funding is made available through the U.S. Department of Energy (DOE). Local agencies conduct a computerized energy audit on each home to identify the most cost effective improvements to make. They then implement a wide variety of improvements including: insulation air leakage testing and sealing, comprehensive heating system evaluations and tune-ups, client education, and electrical base load reduction measures. As a result of weatherization, participating households realize an average annual savings in excess of 25 percent. The Utah Weatherization Program has been very successful in leveraging its appropriation of State funding to gain large amounts of federal, private and utility funding. Utah Power, Questar Gas and the Utah Public Service Commission are contributing financial partners in the funding of the Weatherization Program.

Funding Detail

Most of the funding for Weatherization is allocated from federal funds and dedicated credit revenues. The \$16,000 provides the state match for the federal appropriation. The appropriation is passed through to eligible entities.

Budget History - Community and Culture - Housing and Community Development - Weatherization Assistance					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	16,000	16,000	16,000	16,000	16,200
General Fund, One-time	0	0	0	0	250,000
Federal Funds	1,912,900	5,566,500	4,538,700	5,042,700	5,482,300
Dedicated Credits Revenue	571,200	349,600	226,600	546,900	1,100,000
Transfers	3,606,000	0	0	0	0
Beginning Nonlapsing	103,000	0	0	0	0
Total	\$6,209,100	\$5,932,100	\$4,781,300	\$5,605,600	\$6,848,500
Categories of Expenditure					
Personal Services	181,200	196,000	202,100	222,200	261,400
In-State Travel	2,900	3,200	3,100	3,000	4,500
Out of State Travel	2,200	6,200	4,900	3,200	7,500
Current Expense	61,800	58,100	32,000	41,400	54,300
DP Current Expense	3,900	1,700	1,400	2,100	6,270,800
Other Charges/Pass Thru	5,957,100	5,666,900	4,537,800	5,333,700	250,000
Total	\$6,209,100	\$5,932,100	\$4,781,300	\$5,605,600	\$6,848,500
Other Data					
Budgeted FTE	3.5	3.0	3.0	3.0	0.0
Vehicles	0	0	1	1	1

Table 33

COMMUNITY SERVICES BLOCK GRANT

Function

The Community Services Block Grant (CSBG) program is a federal formula-based appropriation administered by the State Community Services Office for community action program (CAPs) across the state. The community action programs provide local leadership and support to combat the causes, as well as the effects of poverty.

There are nine community action programs serving all 29 counties in Utah. Community action programs implement a self-help philosophy through a process of innovative, practical and timely programs and services that emphasize self-sufficiency while addressing the immediate financial crisis needs of low-income people. Community action programs serve as a catalyst to coordinate efforts, to mobilize resources and to encourage other organizations to deliver needed services.

Accountability

The Community Services Block Grant uses the federal “Results Oriented Management and Accountability (ROMA) System” to measure success. This system measures seven goals using over fifty indicators of success, including the number of households avoiding homelessness or receiving housing counseling/rental assistance, the number of individuals receiving training and services in support of obtaining and retaining employment, and the amount of federal and private funds leveraged for anti-poverty programs.

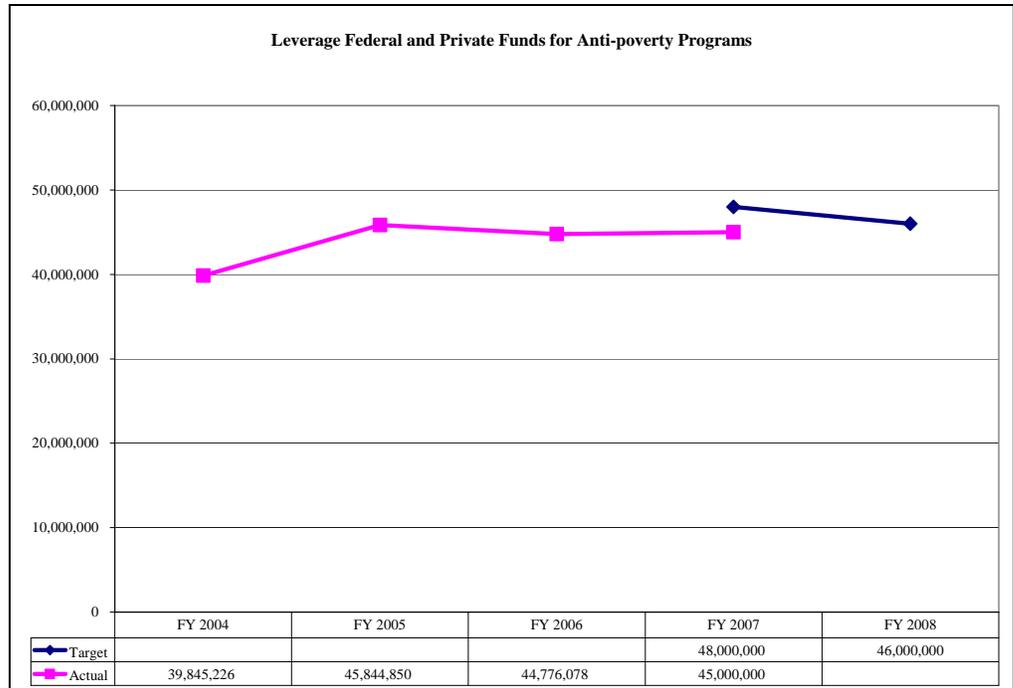


Figure 13

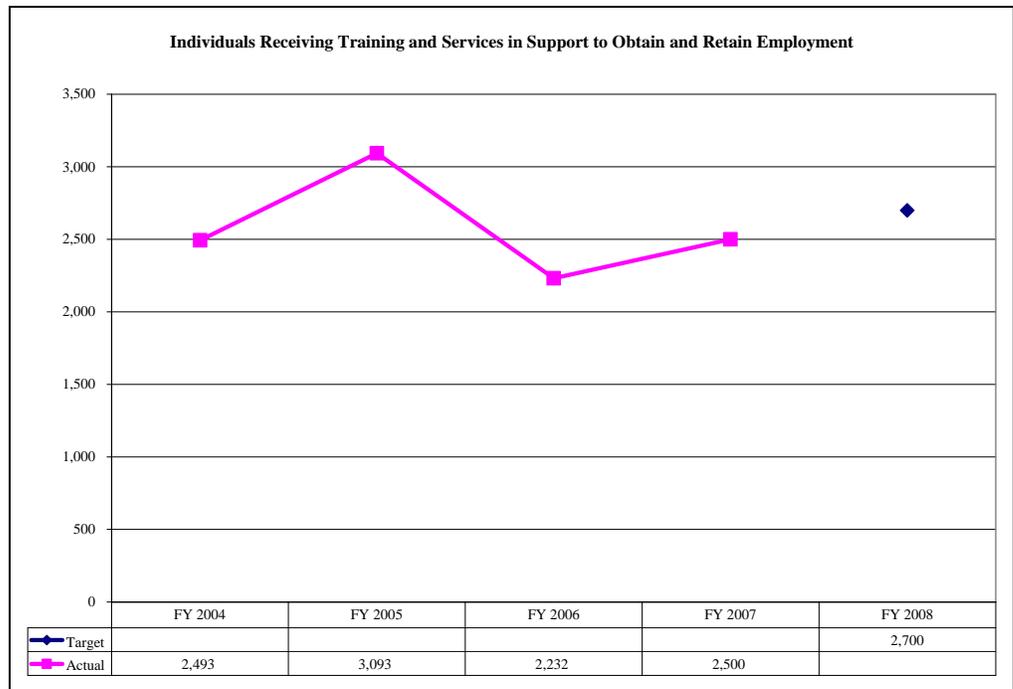


Figure 14

Funding Detail

Community Services primarily uses federal funds and some state revenues to provide services to eligible populations.

Budget History - Community and Culture - Housing and Community Development - Community Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	42,300	49,300	55,500	55,300	55,500
General Fund, One-time	0	0	0	100	0
Federal Funds	3,299,700	3,524,700	2,856,200	3,286,900	3,265,100
Total	\$3,342,000	\$3,574,000	\$2,911,700	\$3,342,300	\$3,320,600
Categories of Expenditure					
Personal Services	168,000	149,200	154,000	244,600	171,000
In-State Travel	2,800	2,100	2,500	800	2,500
Out of State Travel	6,800	7,700	5,100	2,800	5,100
Current Expense	34,400	33,200	25,600	27,200	22,600
DP Current Expense	1,700	1,200	1,300	2,200	1,400
DP Capital Outlay	0	0	2,723,200	0	0
Other Charges/Pass Thru	3,128,300	3,380,600	0	3,064,700	3,118,000
Total	\$3,342,000	\$3,574,000	\$2,911,700	\$3,342,300	\$3,320,600
Other Data					
Budgeted FTE	3.0	3.0	3.0	3.0	3.0

Table 34

UTAH COMMISSION ON VOLUNTEERS

Function

The mission of the Utah Commission on Volunteers is to improve communities through service and volunteering in Utah.

Statutory Authority

Statutory authority for the Utah Commission on Volunteers is provided in UCA 9-1-803. The Commission is charged with finding innovative and creative ways to increase volunteerism in the state.

Funding Detail

Funding for the Commission on Volunteers is mainly federal fund with a small portion attributable to the General Fund and dedicated credit revenues. Most of the funding is passed through to the community organizations.

Budget History - Community and Culture - Housing and Community Development - Commission on Volunteers					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	93,900	99,300	111,000	111,500	175,900
General Fund, One-time	0	0	0	(900)	0
Federal Funds	1,247,400	1,792,700	1,739,900	2,482,500	2,905,200
Dedicated Credits Revenue	125,300	0	173,400	89,300	148,000
Transfers	0	72,400	0	0	0
Total	\$1,466,600	\$1,964,400	\$2,024,300	\$2,682,400	\$3,229,100
Categories of Expenditure					
Personal Services	371,000	324,200	353,000	424,000	423,900
In-State Travel	12,100	13,000	7,600	17,000	13,800
Out of State Travel	5,500	8,800	11,800	17,500	13,500
Current Expense	85,400	58,300	91,300	218,800	109,800
DP Current Expense	2,000	4,700	6,100	6,300	3,100
Other Charges/Pass Thru	990,600	1,555,400	1,554,500	1,998,800	2,665,000
Total	\$1,466,600	\$1,964,400	\$2,024,300	\$2,682,400	\$3,229,100
Other Data					
Budgeted FTE	5.9	5.0	5.0	5.0	5.0

Table 35

EMERGENCY FOOD NETWORK

Function

Funding provided to the Emergency Food Network (EFN) is administered by the State Community Services Office for distribution to emergency food pantries statewide. The funds assist local food banks and other providers with the storage and distribution of emergency and supplemental nutrition to households in poverty. Emergency food pantries utilize a variety of resources. These are mostly state and local funds leveraged with in-kind resources that include food and volunteer support.

Accountability

The Emergency Food Network tracks the number of pantry visits as a success measure as shown below.

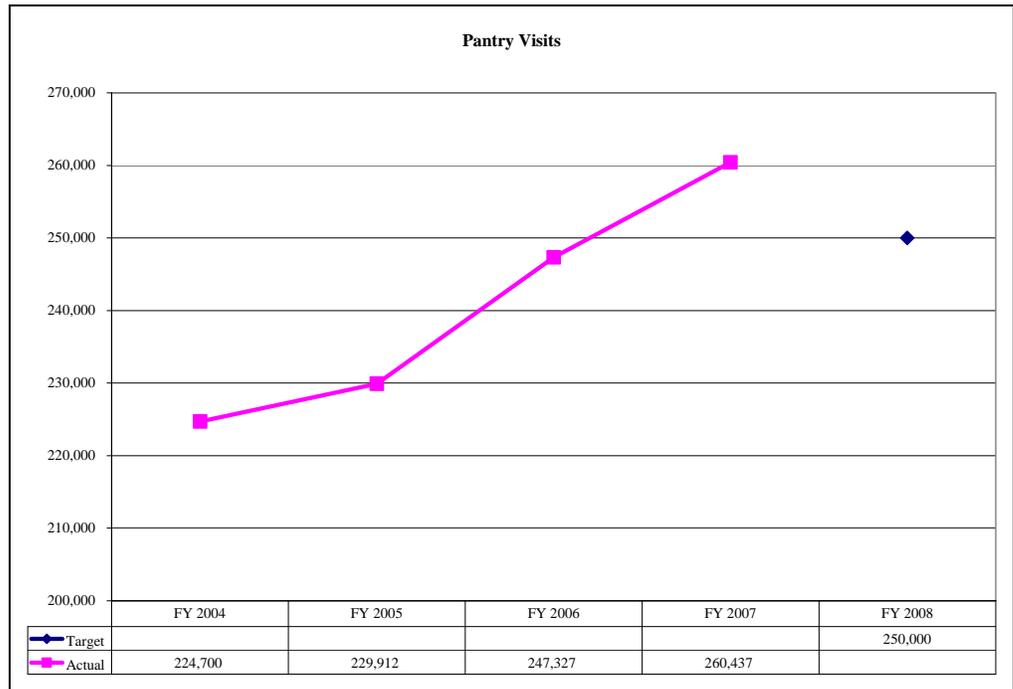


Figure 15

Funding Detail

Funding for the program is from the General Fund with resources being passed through to eligible entities.

Budget History - Community and Culture - Housing and Community Development - Emergency Food Network					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	170,400	200,400	170,400	200,700	301,300
General Fund, One-time	0	0	130,000	100,000	0
Federal Funds	800	8,300	7,300	2,700	12,500
Beginning Nonlapsing	15,900	8,800	3,200	9,900	0
Closing Nonlapsing	(8,800)	(3,200)	(9,900)	(40,200)	0
Total	\$178,300	\$214,300	\$301,000	\$273,100	\$313,800
Categories of Expenditure					
Personal Services	100	7,700	6,700	2,100	7,300
Current Expense	700	600	600	600	600
Other Charges/Pass Thru	177,500	206,000	293,700	270,400	305,900
Total	\$178,300	\$214,300	\$301,000	\$273,100	\$313,800
Other Data					
Budgeted FTE	0.1	0.0	0.0	0.0	0.0

Table 36

FAITH BASED AND COMMUNITY INITIATIVES

Function The Office of Faith-Based Initiatives was created at the request of Governor Huntsman. The goal of the program is to assist faith-based and community organizations in Utah with access to state, federal and private sector resources. Federal funds were appropriated in FY 2008 to the Commission on Volunteers. Beginning in FY 2009 this will be shown as a separate program.

COMMUNITY DEVELOPMENT CAPITAL

Function The programs in the Community Development Capital budget mitigate the impacts of non-metallic mineral extraction and help fund special service districts. Funding sources for the program are mineral lease royalties returned to the State by the federal government.

Utah is energy rich in coal, hydroelectric, geothermal, natural gas, uranium and crude oil. The energy industry not only includes production of energy fuels, but the conversion of these resources into other forms of energy such as petroleum and electricity. This energy is used in Utah, shipped to other surrounding states, or exported to overseas markets.

In order to help mitigate local impacts of major energy and mineral development on federal lands, the federal government returns half of the royalty revenues collected back to the State of origin. The royalties collected are called mineral lease funds. Because of the prevalence of federal lands in Utah, these impacts are extensive.

Utah puts the revenue into two General Fund - Restricted Accounts. The Mineral Lease Account is general royalty revenue returned to the State. The Mineral Lease Bonus Account originally came from the Department of Interior oil shale prototype leases known as U-a and U-b, located in eastern Utah. Currently, Bonus Revenue includes revenue from lease renewal fees and leases obtained from new mineral development.

Statutory Authority Statutory authority for the Permanent Community Impact Board is provided in UCA 9-4-301. Statute requires that funds be used for the alleviation of social, economic, and public finance impacts resulting from the development of natural resources in Utah.

Funding Detail

The CD Capital program is funded through federal mineral lease revenues.

Budget History - Community and Culture - Community Development Capital Budget					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Federal Mineral Lease	3,173,700	4,184,500	6,325,700	0	6,500,000
Permanent Community Impact	34,840,900	9,400,000	9,400,000	0	86,665,200
Repayments	0	0	0	0	17,067,000
Lapsing Balance	(26,788,900)	0	0	0	0
Total	\$11,225,700	\$13,584,500	\$15,725,700	\$0	\$110,232,200
Programs					
Permanent Community Impact Board	8,052,000	9,400,000	9,400,000	0	103,732,200
Special Service Districts	3,173,700	4,184,500	6,325,700	0	6,500,000
Total	\$11,225,700	\$13,584,500	\$15,725,700	\$0	\$110,232,200
Categories of Expenditure					
Other Charges/Pass Thru	11,225,700	13,584,500	15,725,700	0	110,232,200
Total	\$11,225,700	\$13,584,500	\$15,725,700	\$0	\$110,232,200

Table 37

Restricted Funds Summary - Community Development Capital				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Mineral Bonus Account	U.C.A. 59-21-2	Federal Mineral Lease Bonus payments	Formula driven established in statute UCA 59-21-2	\$29,324,753
Mineral Lease Account	U.C.A. 59-21-2	Federal Mineral Lease	Formula driven established in statute UCA 59-21-2	\$53

Table 38

ZOOS

Function

Community Development administers the contracts covering appropriations to the Zoos. Currently Willow Park Zoo and Hogle Zoo receive funding from the State.

Willow Park Zoo Willow Park Zoo was established in 1971 and started as an aviary. The zoo currently has approximately 100 species of animal. The bulk of the zoo’s funding comes from the Cache County and Logan City with a small portion appropriated from the state. The zoo has not been accredited.

Hogle Zoo Hogle Zoo originated at Liberty Park. The original zoo consisted of deer, monkeys, an elephant and several birds and mammals. The Hogle Zoo has been at its current location since 1931. The zoo is an accredited member of the American Zoo and Aquarium Association. The Hogle Zoo is owned by the state of Utah and is supported by tax dollars and private donations raised by the Utah Zoological Society. There are currently 1,100 animals at the zoo representing 250 different species.

Funding Detail

The appropriation for the Zoos comes from the General Fund as shown below.

Budget History - Community and Culture - Zoos					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,398,700	1,598,700	1,398,700	1,498,700	1,498,700
General Fund, One-time	0	0	0	0	200,000
Lapsing Balance	0	(127,400)	0	0	0
Total	\$1,398,700	\$1,471,300	\$1,398,700	\$1,498,700	\$1,698,700
Programs					
Zoos	1,398,700	1,471,300	1,398,700	1,498,700	1,698,700
Total	\$1,398,700	\$1,471,300	\$1,398,700	\$1,498,700	\$1,698,700
Categories of Expenditure					
Other Charges/Pass Thru	1,398,700	1,471,300	1,398,700	1,498,700	1,698,700
Total	\$1,398,700	\$1,471,300	\$1,398,700	\$1,498,700	\$1,698,700

Table 39

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT (GOED)

Function The role of the Governor's Office of Economic Development is to facilitate the growth of quality jobs, promote Utah business, and develop economic prosperity for Utah by increasing the net tax revenue to the State.

Statutory Authority Statutory authority for the Governor's Office of Economic Development is provided in UCA 63-38f. GOED shall:

- Be the industrial promotion authority of the state;
- Promote and encourage the economic, commercial, financial, industrial, agricultural, and civic welfare of the state;
- Do all lawful acts to create, develop, attract, and retain business, industry, and commerce within the state; and
- Do other acts that enhance the economy of the state.

Funding Detail

Funding detail for the office is included in the table below.

Budget History - Governor's Office of Economic Development					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	11,703,200	17,433,300	13,669,100	14,714,800	15,054,800
General Fund, One-time	0	0	764,900	757,600	2,890,000
Transportation Fund	118,000	118,000	118,000	118,000	118,000
Federal Funds	197,700	421,700	300,000	300,000	300,000
Dedicated Credits Revenue	404,400	383,600	285,700	111,100	254,700
GFR - Business Development for Disadvan	0	0	250,000	0	0
GFR - Industrial Assistance	186,600	189,300	223,500	1,736,500	223,500
GFR - Motion Picture Incentive Fund	0	0	1,000,000	1,000,000	4,000,000
GFR - Rural Broadband Service Fund	0	0	0	0	1,000,000
GFR - Tourism Marketing Performance	450,000	0	10,000,000	11,000,000	11,000,000
Beginning Nonlapsing	2,544,700	2,650,500	9,604,600	11,593,100	0
Closing Nonlapsing	(2,688,300)	(9,586,600)	(6,052,100)	(6,193,400)	0
Lapsing Balance	(2,100)	0	0	0	0
Total	\$12,914,200	\$11,609,800	\$30,163,700	\$35,137,700	\$34,841,000
Line Items					
Administration	0	0	0	3,040,400	3,311,400
Office of Tourism	0	0	0	20,383,300	19,583,500
Business Development	0	0	239,900	11,564,000	11,796,100
Incentive Funds	321,000	193,500	283,100	150,000	150,000
Business and Travel Development	12,593,200	11,416,300	29,640,700	0	0
Total	\$12,914,200	\$11,609,800	\$30,163,700	\$35,137,700	\$34,841,000
Categories of Expenditure					
Personal Services	4,267,300	4,093,700	5,144,300	5,316,600	6,065,100
In-State Travel	72,800	53,700	100,000	93,600	107,500
Out of State Travel	201,700	166,700	184,200	233,900	449,000
Current Expense	3,739,800	1,839,800	3,258,000	3,701,000	3,461,400
DP Current Expense	164,700	142,000	550,100	360,900	299,600
DP Capital Outlay	1,200	0	0	10,900	0
Capital Outlay	0	0	0	16,600	0
Other Charges/Pass Thru	4,466,700	5,313,900	20,927,100	25,254,200	24,458,400
Total	\$12,914,200	\$11,609,800	\$30,163,700	\$34,987,700	\$34,841,000
Other Data					
Budgeted FTE	63.1	65.0	131.0	64.0	71.0
Vehicles	3	3	6	6	3

Table 40

ADMINISTRATION

Function

GOED Administration provides leadership to the two strategic program areas in the Office: Business Development and Tourism. The Administration defines, develops and implements strategies and provides fiscal guidance and support to the programs. The Administration also provides oversight and support to the Utah Sports Commission, the Utah Summer Games, the Utah Defense Alliance, the Economic Development Corporation of Utah, and other legislated pass through programs.

Funding Detail

The Administration is funded through General Fund.

Budget History - Economic Development - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	1,686,700	2,536,400
General Fund, One-time	0	0	0	724,400	775,000
Beginning Nonlapsing	0	0	0	1,110,500	0
Closing Nonlapsing	0	0	0	(481,200)	0
Total	\$0	\$0	\$0	\$3,040,400	\$3,311,400
Programs					
Administration	0	0	0	3,040,400	3,311,400
Total	\$0	\$0	\$0	\$3,040,400	\$3,311,400
Categories of Expenditure					
Personal Services	0	0	0	299,400	1,228,300
In-State Travel	0	0	0	100	14,600
Out of State Travel	0	0	0	(2,500)	275,600
Current Expense	0	0	0	166,700	124,300
DP Current Expense	0	0	0	221,100	143,000
Capital Outlay	0	0	0	8,300	0
Other Charges/Pass Thru	0	0	0	2,347,300	1,525,600
Total	\$0	\$0	\$0	\$3,040,400	\$3,311,400
Other Data					
Budgeted FTE	0.0	0.0	0.0	7.0	7.0
Vehicles	0	0	0	0	3

Table 41

BUSINESS AND ECONOMIC DEVELOPMENT

Function

The mission of Business and Development is to create jobs that will raise the standard of living of Utah’s citizens by enabling companies to be successful. To accomplish this mission Business and Economic Development is focused on driving Business Creation, Business Growth, and Business Recruitment.

BUSINESS CREATION

Business Creation is charged with creating new, high quality jobs in the State of Utah through the development of the business environment within specific business clusters. The program works to accelerate the transition of technologies from Utah’s institutions of higher education into Utah companies, by providing access to business teams, and helping to leverage capital for startup companies.

State Science Advisor

The State Science Advisor is given statutory authority under UCA 63-38f-606 and is responsible for all statewide initiative related to science and technology. The State Science Advisor has specific responsibility for fostering technological advancement and developing new technology-based economic opportunities.

The State Science Advisor serves as an objective source of information and interpretation of technical issues confronting the State for the benefit of the Governor, the Legislature, and the citizenry. Both independently and through the State Science Advisory Council, the Advisor interfaces with military operations, reviews radioactive waste operations, suggests measures for improved science and technology literacy in the adult and student populations, and works as the interface between State Government, education, business development and technology. The State Science Advisor is appointed directly by the Governor under statutory authority.

Centers of Excellence

The Centers of Excellence Program provides funding to Universities within the State to identify marketable technologies, transfer those technologies to Utah businesses, and capitalize on those technologies to produce new, high paying jobs. The Centers of Excellence program was created in statute in 1986.⁸

The primary objective of the Centers of Excellence program has been to encourage the commercialization of leading edge technologies developed at Utah's universities and colleges. The commercialization is accomplished through licensing patented technologies and protected intellectual property and by creating new companies. The program uses leveraged matching funds to strengthen research and development at Utah's institutions of higher learning.

Programs are allowed 4 years of eligibility, to potentially market technologies. Proposals for Centers of Excellence funding are reviewed by the volunteer Centers of Excellence Advisory Council. Centers selection is based on a ranking established through a review process.

The Centers program also funds a consulting program which helps Centers determine successful strategies for commercialization. The job of all businesses consulting in the Centers program is to help create robust and successful business plans based on the most promising market segments and opportunities.

The Director of the Centers of Excellence program operates under the oversight of the State Advisory Council on Science and Technology (SAC) and the GOED Board, the two citizen oversight boards with responsibility for the Centers of Excellence program.

Each center tracks, and reports to the Director matching funds, licenses, patents, sponsored research projects from potential customers/licensees and spinout companies. These are all self reported but can be confirmed via the Technology Transfer Offices/Sponsored Projects Offices at the Universities. The progress of each Center against the development program and milestones described in their annual report/proposal is also tracked by the business team members throughout the year and by the Council annually. Business

⁸ UCA 63-38f

Advisory Councils, with volunteers from the business community, serve as ongoing mentors to the Centers and the Business Team mentors and assist the SAC in their statutory responsibility to oversee the Centers throughout the year.

Accountability

The success of the Centers of Excellence program is measured by the number of spinout companies, the number of jobs created and the average salary of the jobs created.

Since 1986, over 100 centers have been formed and funded and over 126 companies have spun off from centers funded by the Centers of Excellence program. Of these, 55 are known to be in Utah today.

Business Cluster Development

The Business Creation Program centers around the development of clusters in the following areas: Aerospace, Defense and Homeland Security, Life Sciences, Outdoor Product, Financial Services, Energy and Natural Resources, Software Development and Information Technology, and a group of Competitive Accelerators. The Cluster Initiative team works with business leaders throughout the state to bring demonstrated best practice business environment to Utah's economic clusters.

Accountability

The success of this program is supposed to be measured by the number of jobs created and the incremental tax revenue generated as a result of these jobs. At this point data has not been provided by the Governor's Office of Economic Development.

Informal Science Education

The Informal Science Education program is administered by the State Science Advisor. The program provides informal science and technology based education to elementary and secondary students, exposes public education student to college level science and technology disciplines, and administers a science and technology camp program.

Accountability

The success of this program is measured by the number of students graduating from science camp. In FY 2007 320 individuals graduated from science camp.

Funding Detail

The Business Creation Program contains General Fund for the State Science Advisor, Centers of Excellence program, Business Cluster Development program, Utah Business Link program, and the Informal Science Education program.

Budget History - Economic Development - Business Development - Business Creation					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	3,909,900	3,924,100
General Fund, One-time	0	0	0	(1,800)	0
Beginning Nonlapsing	0	0	0	885,700	0
Closing Nonlapsing	0	0	0	(1,241,300)	0
Total	\$0	\$0	\$0	\$3,552,500	\$3,924,100
Categories of Expenditure					
Personal Services	0	0	0	584,500	773,900
In-State Travel	0	0	0	6,600	11,700
Out of State Travel	0	0	0	23,100	14,400
Current Expense	0	0	0	531,600	560,400
DP Current Expense	0	0	0	81,300	13,700
Other Charges/Pass Thru	0	0	0	2,325,400	2,550,000
Total	\$0	\$0	\$0	\$3,552,500	\$3,924,100
Other Data					
Budgeted FTE	0.0	0.0	0.0	8.0	9.0
Vehicles	0	0	0	1	0

Table 42

BUSINESS GROWTH

Business Growth is charged with promoting the vitality, expansion and retention of existing Utah businesses. Existing businesses create 75 percent of the new jobs every year. Business Growth insures statewide coverage, oversight, and implementation of programs to help existing businesses. It drives industry partnering and enables industry self-sufficiency by building strong industry associations and establishing a business development strategy for each industry.

Statutory Authority

The statutory responsibility for Business Growth is found in UCA 63-38f. Responsibilities include: Enterprise Zone Administration; Recycling Zone Administration; Pioneer Community/Main Street Program Administration; and the Office of Rural Development.

Programs

Specific programs include: the Technology Parks program, the Entrepreneurial Development/SBDC program, the Rural Development program, the Main Street Program, International Trade and Diplomacy, Procurement Technical Assistance, and the Business Manufacturing Productivity/UMEP program.

Technology Parks

The mission of this program is to develop business and technology centers within the State of Utah. Technology parks serve three economic purposes:

1. To act as a place where University related technology commercialization can occur.
2. To serve as a location attractive to corporations relocating to the State.
3. To provide a place where local companies can locate to cross-pollinate with other key industries.

Entrepreneurial Development/Small Business Development Centers

The Utah Small Business Development Centers were established to provide small business owners with one-on-one counseling, business skills training, and loan counseling. The investment in SBDC program of \$349,000 annually by the Legislature helps fund a partnership and leverages funds from the SBA and local Colleges and Universities in Utah. Measures include counseling sessions, seminars and training sessions. Services are provided to help small businesses assess opportunities and challenges.

Rural Development

The Office of Rural Development and the Governor's Rural Partnership Board provides rural policy input to the Governor's Office and the Utah State Legislature. The Office of Rural Development provides staff support for the Governor's Rural Partnership Board and works to implement their recommendations in a manner that is consistent with the goals and objectives of the Governor's Office of Economic Development. Additionally, the Office provides a voice for rural Utah's needs and issues. The Utah Main Street, Utah Enterprise Zone Tax Credit and the Recycling Market Development Tax Credit are administered through the rural office as is Business Development for Disadvantaged Rural Communities Grant Program.

The Office of Rural Development runs two programs that offer tax credits to Utah businesses. Utah Enterprise Zones provide State personal and corporate income tax credits for investment and job creation in rural counties. Recycling Market Development Zones encourage businesses that are involved in recycling.

The Utah Main Street Program assists communities with the revitalization of their historic business districts. The goal is to re-establish downtown as a vibrant center of economic, civic, and cultural activity. The program offers ongoing training and technical assistance as well as organizational start-up costs.

Accountability

Success for this program is measured by the number of jobs created and saved in rural Utah, tax credits earned, and by Main Street retail sales growth. At this point data has not been provided by the Governor’s Office of Economic Development.

International Trade and Diplomacy

The International Trade and Diplomacy Office helps Utah companies develop markets for their products and services in foreign countries. The mission of International Development is to create jobs by increasing Utah’s exports and international presence.

International fulfills its mission by identifying receptive global markets for Utah goods and services, by cultivating Utah’s positive business image, developing an informed leadership and constituency for international trade in Utah and branding Utah for international audiences. In addition, the program provides diplomacy advice and leverages diplomatic contacts to develop and expand foreign markets for Utah.

International Trade and Diplomacy focuses on the following activities:

- Creating jobs by increasing international trade.
- Increasing trade by branding Utah globally.
- Increasing trade opportunities by promoting Utah’s technical strengths.

Accountability

The success of the International Program is measured by:

- tracking the performance of participating trade mission companies through increased employment and wages. (No data provided)
- surveying trade mission participants to track increased sales (No data provided)
- conducting baseline surveys to determine the percentage of the company’s international involvement (No data provided)
- maintaining a log of companies counseled, attendees at training, and hits of the export directory (170 firms)
- tracking trade mission participants increased international contracts and monitoring projected sales and actual sales (No data provided).

Procurement Technical Assistance (PTAC)

The PTAC program is a federally matched program and was established to proactively assist Utah businesses in securing contracts from federal, State, and local agencies for their products. PTAC provides training, counseling, workshops, and mentors to assist companies in meeting their business and marketing goals. There are 8 offices located throughout the State to assist businesses statewide.

Accountability

The success of the Procurement Technical Assistance program is measured by:

- The number of new jobs created from increase contracts
- The companies available to contract with the government
- Increase procurement contracts for small businesses.

The information below shows the success measures for PTAC.

Utah Procurement Technical Center Program					
Year	Businesses Registered	Contracts Awarded	Value Of Contracts	Job Impact Of Contracts	Business Conferences Conducted
1999	925	590	123 Million	3,000	28
2000	950	870	174 Million	4,350	32
2001	1,000	1,052	170 Million	4,250	29
2002	1,050	890	213 Million	5,325	37
2003	490	563	127 Million	3,740	44
2004	352	353	91 Million	4,445	43
2005	1,200	491	348 Million	9,550	38
2006	1,050	781	101 Million	2,719	51
2007	1,200		136 Million	2,719	

Source: Governor's Office of Economic Development

Table 43

Business Manufacturing Productivity/Utah Manufacturing Extension Partnership

A key element of Utah’s economic development strategy is to increase the productivity of Utah manufacturers. To accomplish this, the state manages a contract with the Utah Manufacturing Extension Partnership (UMEP) and passes through a \$1,150,000 appropriation to UMEP. The UMEP is focused on helping small manufacturers in Utah improve the productivity, efficiency, and profitability of their businesses. The managing director of Business and Economic Development serves on the Technical Advisory Board of UMEP. UMEP provides counseling and support services to Utah’s small manufacturing community. The UMEP is funded by federal appropriations from the Department of Commerce, the State of Utah, and from fees for service activities.

The Manufacturing Extension Partnership (MEP) is a nationwide network of not-for-profit centers in over 400 locations nationwide, whose purpose is to provide small and medium sized manufacturers with help. The centers are funded by federal, state, local and private resources to serve manufacturers. The goal is to make it possible for even the smallest firms to tap into the expertise of knowledgeable manufacturing and business specialists all over the United States. These specialists are people who have had experience on manufacturing floors and plant operations.

Each center works directly with area manufacturers to provide expertise and services tailored to their most critical needs. Solutions are offered through a combination of direct assistance from center staff and outside consultants. Centers often help small firms overcome barriers in locating and obtaining private sector resources.

Business Accelerator Support

Business Growth provides financial and staff support to a number of “business accelerators” operating in Utah. Business accelerators are typically non-profit entities that provide services to Utah technology companies. A sample of those organizations includes:

- The Wayne Brown Institute
- The Utah Information Technology Council
- The Utah Life Sciences Association (ULSA)
- The Mountain West Venture Group
- Envision Utah
- Technology to Market (T2M)
- University of Utah Student Venture Fund

Funding Detail

Funding for business growth is used for staff support and pass through. Most of the funding comes from the General Fund.

Budget History - Economic Development - Business Development - Business Growth					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	3,332,000	3,249,500
General Fund, One-time	0	0	0	39,700	2,115,000
Federal Funds	0	0	0	300,000	300,000
GFR - Rural Broadband Service Fund	0	0	0	0	1,000,000
Beginning Nonlapsing	0	0	0	2,146,900	0
Closing Nonlapsing	0	0	0	(1,519,600)	0
Total	\$0	\$0	\$0	\$4,299,000	\$6,664,500
Categories of Expenditure					
Personal Services	0	0	0	1,269,100	1,429,900
In-State Travel	0	0	0	44,000	34,800
Out of State Travel	0	0	0	88,500	46,000
Current Expense	0	0	0	334,600	358,000
DP Current Expense	0	0	0	11,000	31,400
DP Capital Outlay	0	0	0	10,900	0
Other Charges/Pass Thru	0	0	0	2,540,900	4,764,400
Total	\$0	\$0	\$0	\$4,299,000	\$6,664,500
Other Data					
Budgeted FTE	0.0	0.0	18.0	15.0	18.0
Vehicles	0	0	0	1	0

Table 44

Restricted Funds Summary - Business Growth				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Business Development for Disadvantaged Rural Communities	U.C.A. 63-38f-2003	General Fund	To promote economic development in Rural Communities	\$7,026

Table 45

BUSINESS RECRUITMENT

Function

The mission of Business Recruitment is to create quality jobs by recruiting new or expanding companies to the state. This responsibility has been outsourced to the Economic Development Corporation of Utah (EDCUtah). They are now responsible for pursuing targeted companies for Utah, following all recruitment leads, and in conjunction with GOED staff negotiating relocation deals. EDCUtah’s activities include but are not limited to, the following: National Advertising, Trade Shows and Conferences, and Domestic Trade Missions. They also conduct Utah Familiarization Tours and help promote Utah’s clusters.

EDCUtah coordinates state and local economic development resources for the purpose of recruiting companies outside Utah that will create jobs with above average wages and benefits. The contract for EDCUtah is \$523,200 with a potential \$25,500 bonus payment.

INCENTIVE FUNDS

Function

The Utah Incentive Funds program administers statutory programs created by the legislature to induce economic activity in Utah. These programs include the Industrial Assistance Fund, Aerospace/Aviation Development Zones, Economic Development Zones, and the Film Incentive Fund. A table detailing in the incentive funds offered by GOED is shown below.

ECONOMIC INCENTIVES	
<u>GOED Incentives</u>	<u>Classification</u>
Industrial Assistance Fund	Post-Performance Grant
Tax Increment Financing & Aerospace and Aviation Development Zones	Post-Performance Grant
Procurement Technical Assistance	State Appropriation
Enterprise Zones	Tax Credit
Recycling Zones	Tax Credit
Centers of Excellence	State Appropriation
Tourism Marketing Performance Fund	State Appropriation
Motion Picture Incentive Fund	State Appropriation
GOED Incentives Total	
<u>Non-GOED Initiatives</u>	
Jobs Now	State Appropriation
Custom Fit	State Appropriation
USTAR**	
Fund of Funds*	Contingent Tax Credit
Non-GOED Initiatives Total	
<u>Pass Through Entities</u>	
Small Business Development Centers	Pass Through
Utah Manufacturing Extension Partnership	Pass Through
EDCUtah	Pass Through
Pass Through Entities Total	
Total	
* Up to \$100,000,000 in contingent tax credits authorized.	
** Ongoing USTAR appropriation. There was also \$50,000,000 one-time provided plus \$111.1 million in bonding authority.	

Table 46

Statutory Authority

The Industrial Assistance Fund was created in 1991. Statutory authority is provided in UCA 63-38f, Part 9. The purpose of the fund is to encourage the creation of quality jobs in Utah. The GOED Board has responsibility to approve all incentive recommendations.

UCA 63-38f, Part 13 provides the authority for the Aerospace/Aviation Development Zones. The statute creates a tax increment financing tools and establishes the authority to administer the zone.

UCA 63-38f Part 13 also established the Economic Development Tax Increment Financing program to enhance the State’s ability to attract and recruit new businesses to Utah. These rebates are based on new state revenues including income tax, sales tax, and corporate tax. By current policy, a qualifying applicant may receive up to a 30 percent tax rebate for up to 10 years.

The Motion Picture Incentive Fund established in 2005 designated \$1,000,000 for increasing the amount of films produced in Utah. The ongoing appropriation is \$500,000 with a one time appropriation of \$500,000.

Funding Detail

Funding for the recruitment program comes from the General Fund.

Budget History - Economic Development - Business Development - Business Recruitment					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	724,000	984,000
GFR - Industrial Assistance	0	0	0	1,736,500	223,500
Beginning Nonlapsing	0	0	0	336,000	0
Closing Nonlapsing	0	0	0	(10,500)	0
Total	\$0	\$0	\$0	\$2,786,000	\$1,207,500
Categories of Expenditure					
Personal Services	0	0	0	587,600	586,800
In-State Travel	0	0	0	700	3,800
Out of State Travel	0	0	0	8,700	18,800
Current Expense	0	0	0	566,500	458,400
DP Current Expense	0	0	0	8,000	25,200
Other Charges/Pass Thru	0	0	0	1,614,500	114,500
Total	\$0	\$0	\$0	\$2,786,000	\$1,207,500
Other Data					
Budgeted FTE	0.0	0.0	5.0	5.0	5.0

Table 47

Restricted Funds Summary - Business Recruitment				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Economic Incentive Restricted Account	U.C.A. 63-38f-1309	General Fund	To pay for rebates authorized by the GOED Board for incremental growth in revenues.	\$1,472,644

Table 48

Restricted Funds Summary - Business Recruitment				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Industrial Assistance Fund	U.C.A. 63-38f-903	General Fund	To provide financial assistance to companies relocating or expanding in Utah.	\$32,527,835

Table 49

OFFICE OF TOURISM

Function	The Office of Tourism (UOT) exists to improve the quality of life of Utah citizens through revenue and tax relief by increasing the quality and quantity of tourism visits and spending.
Statutory Authority	Statutory authority for the Office of Tourism is provided in UCA 63-38f-1409. The Office of Tourism is: <ul style="list-style-type: none">➤ The tourism development authority of the state.➤ Responsible for travel promotion throughout the state.➤ Responsible for increasing the economic contribution of tourists visiting the state.➤ Responsible for advertising, promotion and publicity related to the attractions of the state as a whole.➤ Responsible for coordination between entities involved in tourism and travel promotion.

Funding Detail

The Office of Tourism funding is utilized mainly for staff and an advertising budget. The Offices’ base operations budget comes from the General Fund. In the 2005 General Session the Legislature created a Tourism Marketing Performance Account with a performance based funding mechanism based on the increases in sales tax revenue for 21 tourism related industries and an allocation which declines yearly from the General Fund. There is a small appropriation from Transportation Fund to fund Welcome Centers statewide. Welcome Centers are located at the gateways to Utah. They provide free travel information, restrooms and pay phones.

Budget History - Economic Development - Office of Tourism					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	4,110,200	4,210,800
General Fund, One-time	0	0	0	(1,800)	0
Transportation Fund	0	0	0	118,000	118,000
Dedicated Credits Revenue	0	0	0	111,100	254,700
GFR - Motion Picture Incentive Fund	0	0	0	1,000,000	4,000,000
GFR - Tourism Marketing Performance	0	0	0	11,000,000	11,000,000
Beginning Nonlapsing	0	0	0	6,933,900	0
Closing Nonlapsing	0	0	0	(2,888,100)	0
Total	\$0	\$0	\$0	\$20,383,300	\$19,583,500
Programs					
Administration	0	0	0	1,046,500	1,045,100
Operations and Fulfillment	0	0	0	2,912,500	2,775,400
Advertising and Promotion	0	0	0	14,348,200	11,000,000
Film Commission	0	0	0	2,076,100	4,763,000
Total	\$0	\$0	\$0	\$20,383,300	\$19,583,500
Categories of Expenditure					
Personal Services	0	0	0	1,870,200	2,046,200
In-State Travel	0	0	0	37,600	42,600
Out of State Travel	0	0	0	98,100	94,200
Current Expense	0	0	0	1,905,600	1,960,300
DP Current Expense	0	0	0	37,900	86,300
Capital Outlay	0	0	0	8,300	0
Other Charges/Pass Thru	0	0	0	16,425,600	15,353,900
Total	\$0	\$0	\$0	\$20,383,300	\$19,583,500
Other Data					
Budgeted FTE	0.0	0.0	0.0	26.0	26.0
Vehicles	0	0	0	4	0

Table 50

ADMINISTRATION

Function

Administration is responsible for providing direction to the Office of Tourism. Responsibilities include applied research, coordination of tourism programs, strategic planning, and branding the state globally. Additionally, the Utah Film Commission reports to the Managing Director of the Office of Tourism.

Research and Accountability

Research is a focus of the strategic development section. The items below identify several research projects the office has been involved in during the year.

- The annual edition of the Tourism, Travel & Recreation Chapter in the 2007 Economic Report to the Governor.
- The State & County Economic Travel Indicator Profiles.
- A monthly newsletter with features, information about the Office's efforts to promote the state, office calendar of events, travel trend information, and other items of interest to tourism partners around the state.
- Tourism indicator statistics are also tracked monthly. The Research Coordinator gathers statistics for Salt Lake International Airport passengers, national monument and recreation area visits, state park visits, information center visits, traffic bulletins for rural interstate and principal arterial highways, occupancy percentages for various regions of the state, web site contacts, phone calls into the Office's call center, travel guide fulfillment, consumer brochure fulfillment, crude oil prices, exchange rates for major currencies, and Salt Lake Area Visitor Counts for attractions in the Salt Lake areas as provided by the Salt Lake CVB.
- Monthly, the Research Coordinator also tracks how much tourism tax revenue is distributed to each county (as provided by the State Tax Commission) including Transient Room Tax (TRT) revenues for counties and cities, resort communities tax, car rental tax, and restaurant tax. Gross taxable sales are also tracked for hotels and lodging, eating and drinking places, car rental, amusement and recreation.

Accountability

Success is measured by the effect the Office of Tourism has on the economy and state tourism revenues. Advertising is a key part of the Office's efforts.

The Office will focus on four specific measures related to increasing economic contributions of travel and tourism to the state.

1. Total travel and tourist spending
2. Number of visitors
3. Length of stay
4. Increasing the number of repeat visitors

Data is available for the total spending and the number of visitors. However data is not yet available for length of stay or the increasing number of repeat visitors.

Year	2000	2001	2002	2003	2004	2005	2006
Total Tourism Spending (\$ Millions)	4,250	4,280	4,690	4,630	4,960	5,452	5,873
Number of Visitors (Millions)	17.7	17.3	17.3	16.9	17.5	19.1	19.3

Table 51

Funding Detail Appropriations to this program come from the General Fund.

Budget History - Economic Development - Office of Tourism - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	1,057,900	1,045,100
General Fund, One-time	0	0	0	3,400	0
Beginning Nonlapsing	0	0	0	55,600	0
Closing Nonlapsing	0	0	0	(70,400)	0
Total	\$0	\$0	\$0	\$1,046,500	\$1,045,100
Categories of Expenditure					
Personal Services	0	0	0	722,500	753,400
In-State Travel	0	0	0	20,100	23,600
Out of State Travel	0	0	0	42,200	49,800
Current Expense	0	0	0	239,000	209,600
DP Current Expense	0	0	0	13,900	8,700
Other Charges/Pass Thru	0	0	0	8,800	0
Total	\$0	\$0	\$0	\$1,046,500	\$1,045,100
Other Data					
Budgeted FTE	0.0	0.0	0.0	6.0	5.0

Table 52

ADVERTISING AND MARKETING

Function The Marketing and Advertising program is responsible for the overall Utah tourism brand, marketing, advertising and promotional plans. The overall goal of the Marketing Program is to increase the national and international awareness, inquiries, and tourism visits to Utah. Key measures include total tourism visits, length of state, repeat visitors, and person per day spending. Staff oversees the advertising budget/advertising agency contract, which includes the Co-op Marketing Program. In addition, the Utah Sports Commission is funded by the Tourism Marketing Performance fund. Increasing out-of-state visitation involves branding, advertising, sales, and promotion activities directed towards consumers, media, and the travel trade. Promotional and development activities are used in the selling of Utah to the same audiences and include sales missions, consumer and trade shows. Market research is used to identify these appropriate markets, as well as geographic, activity-based, and emerging markets. Efforts are coordinated with city, county, convention and visitor bureaus, vacation destinations, and inter-agency offices and programs.

Funding Detail Funding for the program is appropriated out of the Tourism Marketing Performance Fund. Funding for this restricted account comes from General Fund appropriations and earmarked sales tax revenues. The appropriation for the restricted account shows up in the Transfer section of this report.

Budget History - Economic Development - Office of Tourism - Advertising and Promotion					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Tourism Marketing Performance	0	0	0	11,000,000	11,000,000
Beginning Nonlapsing	0	0	0	5,807,400	0
Closing Nonlapsing	0	0	0	(2,459,200)	0
Total	\$0	\$0	\$0	\$14,348,200	\$11,000,000
Categories of Expenditure					
Other Charges/Pass Thru	0	0	0	14,348,200	11,000,000
Total	\$0	\$0	\$0	\$14,348,200	\$11,000,000

Table 53

Restricted Funds Summary - Tourism Advertising				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Tourism Marketing Performance Fund	U.C.A. 63-38f-1411	General Fund and Earmarked Sales Tax Revenues	A statewide advertising, marketing, and branding campaign	\$10,710,018

Table 54

TOURISM TRADE DEVELOPMENT

Functions

The Tourism Trade Program educates and assists the travel industry about travel opportunities within Utah. The staff coordinate efforts between out of state travel advisors and in state providers.

Familiarization tours were conducted with media and tour operators from around the world. Throughout the year 65 familiarization tours were executed.

The Office of Tourism maintains international representation in German speaking Europe, the United Kingdom, and Japan. On behalf of UOT the organizations work to increase consumer awareness in their markets by working with the media. They serve as fulfillment houses to distribute Utah information to consumers.

Accountability

Program success is measured by follow-up inquiries and conversion studies, material disseminated, and increased tourism visits. Data is not available at this time.

OPERATIONS AND PUBLICATIONS

Function

The Operations and Publications program is responsible for media, publications, information services, distribution, interagency cooperation, scenic byways, and special projects. Staff distributes information to journalists, the traveling public, Web requests and 800-number inquiries.

Scenic Byways

Scenic Byway Program grants fund a variety of improvements and development of interpretive and promotional materials for 14 national and

state designated scenic byways. These funds improve the experiences of travelers in rural Utah on the Utah's scenic byways

Interagency and Public-Private Partnerships

The Office of Tourism participates with the Department of Community and Culture to promote heritage tourism as a part of the Community Cooperative Historic & Cultural Committee (CCHCC). The office also has positions and/or attends the Governor's Outdoor Recreation Task Force, Utah Interagency Task Force, UDOT Welcome Center/Rest Area Task Force, Canyon Country Partnership, Ski Utah, Western States Tourism Policy Council, National Council of State Tourism Directors, Travel & Tourism Research Association, Utah Travel Regions and Utah Tourism Industry Coalition, and the Salt Lake Convention and Visitors Bureau meetings.

Publications

The award-winning Utah Scenic Calendar and the Utah Travel Guide are annual publications produced and distributed by the Office of Tourism. The UOT re-designed the Utah Travel Guides and the calendar to provide an increase in the visuals.

Welcome Centers

The Office contracts for the tourism information portion of Utah's five gateway welcome centers. Each welcome center received \$60,000 for administration and operations.

Funding Detail

Funding for the Operations and Tourism Trade programs supports staff and Welcome Centers. Federal funds and Transportation Fund are utilized to fund Welcome Centers statewide. The program also receives dedicated credit revenues for services provided.

Budget History - Economic Development - Office of Tourism - Operations and Fulfillment					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	2,315,900	2,402,700
General Fund, One-time	0	0	0	(2,800)	0
Transportation Fund	0	0	0	118,000	118,000
Dedicated Credits Revenue	0	0	0	111,100	254,700
Beginning Nonlapsing	0	0	0	599,100	0
Closing Nonlapsing	0	0	0	(228,800)	0
Total	\$0	\$0	\$0	\$2,912,500	\$2,775,400
Categories of Expenditure					
Personal Services	0	0	0	643,300	754,700
In-State Travel	0	0	0	13,000	15,200
Out of State Travel	0	0	0	29,800	25,600
Current Expense	0	0	0	1,488,700	1,580,200
DP Current Expense	0	0	0	9,900	53,200
Capital Outlay	0	0	0	8,300	0
Other Charges/Pass Thru	0	0	0	719,500	346,500
Total	\$0	\$0	\$0	\$2,912,500	\$2,775,400
Other Data					
Budgeted FTE	0.0	0.0	0.0	13.0	14.0
Vehicles	0	0	0	4	0

Table 55

FILM COMMISSION

Function

The mission of the Film Commission is to create high paying quality jobs within the motion picture, television, and commercial industries. The Film Commission markets the entire state as a location for film and commercial production and promotes the use of Utah support services and professionals.

Accountability

The success of the program is measured by the impact of film production statewide. The Utah Film Commission has several goals that are part of the work plan to encourage greater industry performance. The goals identified below help the Commission keep film production jobs in the state.

1. Promote a pro-business environment in Utah.
2. Promote the Utah brand globally.
3. Develop partnerships and alliances.
4. Develop and promote Utah digital/post production technical strengths.
5. Develop rural economic growth through film.
6. Encourage financial resource availability.

Program funding is utilized to address the requests of the following customers.

1. Out of state filmmakers
2. In state filmmakers
3. Support services, talent and crews
4. In state film commissions and local jurisdictions
5. Student filmmakers
6. Partners, alliances and related organization, i.e. Screen Actor's Guild, Director's Guild etc.

Expenditures of the Utah Film Commission provide for the following products and services to the motion picture industry:

1. Statewide location scouting with in-state and out-of state companies.
2. Continuous update of statewide photo location library.
3. Hard copy professional support services and crew resource directories produced in house as well as 24/7 on-line resource directory and filming in Utah web site information.
4. Film liaison services provided with private homeowners, land owners, local, state and federal agencies for filming requests on location.
5. Quarterly newsletter produced for local and out of state industry clients on filming activities, new services, trends in the industry, etc.
6. Quarterly film industry luncheons held with out of state guest speakers, panels and topics of interest to the motion picture industry.
7. "Filmed in Utah" brochure and marketing materials showing locations throughout the state.
8. Support of film related events to showcase the Utah industry and develop industry statewide including Sundance Film Festival, Sundance Filmmakers lab, Salt Lake Film Center, Salt Lake Film Society, and Spyhop.
9. Trade shows, bi-monthly marketing trips and familiarization tours to promote additional filming in the state as well as an advertising and promotion component to the program.

The UFC is working with Utah's Economic Cluster Initiatives to encourage the expansion of digital media, digital production and entertainment technologies in the state. UFC is also working with local colleges and film educational programs such as SpyHop, Sundance Lab, University of Utah, SLCC and UVSC to support their efforts in job training for the motion picture and digital industries and encourage new filmmakers in the state.

The Film Commission meets program goals and objectives by:

- Promoting a pro-business environment through bi-monthly marketing trips to New York and Los Angeles and global commercial production

companies, television and feature companies, cable channel producers to market the state's locations, support services and production crews. The effectiveness of this goal is measured by the number of projects shot in the state, the number of repeat customers to the state, production days and the percentage of local hires on a project.

- Increasing investment in Utah through the production of a Resource Guide (in print and on-line) and photo location library to showcase the diversity of looks throughout the state and encourage urban and rural production. The effectiveness of this goal is measured by the percentage of local hires on productions, increase in support service listings and crew base increase. The Commission can also track the effectiveness of their photo library by the number of pictorial presentations created (hard copy and on-line) and productions that use the state that were not set (scenically/location) in the state.
- The program measures effectiveness in encouraging rural economic growth by the use of rural locations. UFC ad campaigns showcasing Southern/rural Utah have been internationally recognized and the "Filmed in Utah" brochure has been used by local and regional travel agencies as well as state and federal land agencies to promote filming as well as production scouting and tourism visits.
- Developing partnerships and alliances with private entities, statewide public agencies, federal agencies, film, and production centers to facilitate a film friendly reputation. Effectiveness is measured by the number of film related events and film production activities in the state yearly.

Funding Detail

The Film Commission funding comes from the General Fund and the Motion Picture Incentive Fund.

Budget History - Economic Development - Office of Tourism - Film Commission					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	736,400	763,000
General Fund, One-time	0	0	0	(2,400)	0
GFR - Motion Picture Incentive Fund	0	0	0	1,000,000	4,000,000
Beginning Nonlapsing	0	0	0	471,800	0
Closing Nonlapsing	0	0	0	(129,700)	0
Total	\$0	\$0	\$0	\$2,076,100	\$4,763,000
Categories of Expenditure					
Personal Services	0	0	0	504,400	538,100
In-State Travel	0	0	0	4,500	3,800
Out of State Travel	0	0	0	26,100	18,800
Current Expense	0	0	0	177,900	170,500
DP Current Expense	0	0	0	14,100	24,400
Other Charges/Pass Thru	0	0	0	1,349,100	4,007,400
Total	\$0	\$0	\$0	\$2,076,100	\$4,763,000
Other Data					
Budgeted FTE	0.0	0.0	0.0	7.0	7.0

Table 56

Restricted Funds Summary - Film Commission				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Motion Picture Incentive Fund	U.C.A. 63-38f-1803	General Fund	To provide incentives for film, television, and commercial production	\$51,101

Table 57

CHAPTER 2 TRANSFERS

Function The transfers program accounts for transfers from the General Fund or Federal Mineral Lease revenues into restricted accounts. Funds are then appropriated from the restricted funds to the respective programs.

Funding Detail The summary chart for the restricted fund transfers is shown below.

Budget History - Restricted Revenue					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	2,534,500	3,836,400	2,436,400	2,936,400	5,836,400
General Fund, One-time	5,153,800	4,442,800	20,711,300	17,936,600	4,000,000
Federal Funds	2,283,700	2,690,000	3,606,000	0	3,606,000
Federal Mineral Lease	28,909,100	16,387,500	30,000,000	0	58,000,000
GFR - Mineral Bonus	6,702,200	1,540,000	19,300,000	0	20,900,000
Beginning Nonlapsing	0	37,600	0	0	0
Closing Nonlapsing	0	(18,300)	0	0	0
Total	\$45,583,300	\$28,916,000	\$76,053,700	\$20,873,000	\$92,342,400
Line Items					
Olene Walker Housing Trust Fund	4,368,200	5,126,200	6,342,400	3,236,400	6,242,400
Tourism Marketing Performance Fund	250,000	919,500	14,000,000	13,000,000	1,000,000
Industrial Assistance Fund	5,153,800	4,442,800	3,479,400	1,408,600	0
Permanent Community Impact Fund	35,611,300	17,927,500	49,300,000	0	78,900,000
GFR - Homeless Trust Fund	200,000	500,000	700,000	700,000	1,200,000
GFR - Economic Incentive Restricted Acco	0	0	981,900	1,528,000	0
GFR - Business Development for Disadvan	0	0	250,000	0	0
GFR - Motion Picture Incentive Fund	0	0	1,000,000	1,000,000	4,000,000
GFR - Rural Broadband Service Fund	0	0	0	0	1,000,000
Total	\$45,583,300	\$28,916,000	\$76,053,700	\$20,873,000	\$92,342,400
Categories of Expenditure					
Other Charges/Pass Thru	45,583,300	28,916,000	76,053,700	3,236,401	92,342,400
Total	\$45,583,300	\$28,916,000	\$76,053,700	\$3,236,401	\$92,342,400

Table 58

CHAPTER 3 UTAH SPORTS AUTHORITY

Function The Utah Sports Authority was created in the 2007 General Session by passage of SB 167 “Utah Sports Authority”. The Utah Sports Authority is responsible for the promotion and coordination of all state sponsored sporting events, including the Pete Suazo Athletic Commission and pass through to the Utah Sports Commission.

Statutory Authority UCA 63C-11 provides the statutory authority for the Utah Sports authority. The statute sets up the following provisions:

Structure:

- Seven Members: three appointed by Governor, 2 appointed by the President of the Senate, 2 appointed by the Speaker of the House.
- The Sports Authority elects its chair.
- Members serve four year terms. However the appointments are staggered so that new appointments are made every two years.
- Members receive per diem
- Four members of the Authority constitute a quorum.

Powers and Duties:

- The Authority may hire a director to be staff to the authority
- The Authority provides the oversight for the Pete Suazo Utah Athletic Commission
- The Authority may higher employees to carry out budgetary duties as monetary constraints allow.
- The Authority may solicit or receive funds from outside sources and may use these funds to coordinate and enhance sporting opportunities in Utah
- The Authority may contract with existing non-profits for sports development in the state. They may also partner with a number of other entities to promote sporting opportunities throughout the state.

Funding Detail

The Utah Sports Authority is funded by appropriations from the General Fund. A one-time appropriation of \$200,000 was made to fund general office support in addition to a \$170,000 ongoing appropriation. A one-time appropriation of \$3,000,000 was made as pass through to the Utah Sports Commission. An appropriation of \$25,000 was made in FY 2008 to fund the U.S.A. Boxing Olympic Trials.

Budget History - Sports Authority					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	0	170,000
General Fund, One-time	0	0	0	0	3,225,000
Total	\$0	\$0	\$0	\$0	\$3,395,000
Programs					
Utah Sports Authority	0	0	0	0	3,395,000
Total	\$0	\$0	\$0	\$0	\$3,395,000
Categories of Expenditure					
Personal Services	0	0	0	0	170,000
Current Expense	0	0	0	0	200,000
Other Charges/Pass Thru	0	0	0	0	3,025,000
Total	\$0	\$0	\$0	\$0	\$3,395,000
Other Data					
Budgeted FTE	0.0	0.0	0.0	0.0	1.0

Table 59

CHAPTER 4 UTAH SCIENCE, TECHNOLOGY, AND RESEARCH (USTAR) INITIATIVE

Function	<p>The Utah Science, Technology, and Research (USTAR) economic development initiative has three major components: recruiting and hiring top-notch research teams, construction of research buildings at the University of Utah and Utah State University, and operation of a technology outreach program at 5 locations throughout Utah</p> <p>The USTAR research teams are expected to bring new funding to the state through federal and commercial contracts and grants and ultimately generate more technology-based start-up firms and higher-paying job opportunities in Utah through the commercialization of USTAR technologies.</p>
Statutory Authority	<p>UCA 63-38g provides statutory authority for the USTAR Governing Authority. Chapter 38g establishes the Governing Authority and an advisory board, defines the scope of the USTAR initiative, and specifies how revenues created by USTAR teams and technologies are to be distributed.</p> <p>UCA 63B-15-101 authorizes the issuance and sale of general obligation bonds for the construction of the Bio Innovations Research Institute Utah State University and the Neuroscience and Biomedical Technology Research Building at the University of Utah.</p>

Funding Detail

The current source of finance for USTAR is the General Fund.

Budget History - Utah Science Technology and Research Governing Authority					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	19,250,000	19,324,500
General Fund, One-time	0	0	0	50,000,000	0
Closing Nonlapsing	0	0	0	(58,328,300)	0
Total	\$0	\$0	\$0	\$10,921,700	\$19,324,500
Line Items					
USTAR	0	0	0	9,963,700	19,324,500
USTAR Capital Developments	0	0	0	958,000	0
Total	\$0	\$0	\$0	\$10,921,700	\$19,324,500
Categories of Expenditure					
Personal Services	0	0	0	485,300	1,482,000
In-State Travel	0	0	0	8,900	5,000
Out of State Travel	0	0	0	5,400	5,000
Current Expense	0	0	0	9,440,600	17,829,700
DP Current Expense	0	0	0	23,500	2,800
Other Charges/Pass Thru	0	0	0	25,200	0
Operating Transfers	0	0	0	932,800	0
Total	\$0	\$0	\$0	\$10,921,700	\$19,324,500
Other Data					
Budgeted FTE	0.0	0.0	0.0	2.0	13.0

Table 60

USTAR ADMINISTRATION

Function

The USTAR Executive Director is responsible for day-to-day administration and provides staff support to the Governing Authority, which manages all of the components of the initiative.

Statutory Authority

UCA 63-38g-302 specifies the duties of the Governing Authority. The authority:

- Ensures that funds appropriated and received for research and development at the research universities and for the technology outreach program are used appropriately, effectively, and efficiently in accordance with the intent of the Legislature;
- Works with the administrations of the University of Utah and Utah State University to expand key research;
- Encourages technology transfer and commercialization of research and technologies developed at the research universities to create high-quality jobs and new industries in the private sector in Utah;
- Reviews state and local economic development plans and appropriations to ensure that the project and appropriations do not duplicate existing or planned programs;

- Establishes economic development objectives for the project;
- Makes rules for allocating monies appropriated for research teams and for the commercialization of new technology between Utah State University and the University of Utah;
- Verifies that the USTAR project is being enhanced by research grants and that it is meeting economic development objectives;
- Monitors all research plans that are part of the project at the research universities to determine that appropriations are being spent in accordance with legislative intent and to maximize the benefit and return to the State;
- Develops methods and incentives to encourage investment in and contributions to the USTAR project from the private sector; and
- Annually reports and makes recommendations to the Governor, the Executive Appropriations Committee, and the Economic Development and Revenue Subcommittee.

Funding Detail

Personal services is currently USTAR Administration’s largest category of expenditure. This category includes the wages and benefits of the USTAR executive director and his assistant.

Budget History - USTAR - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	250,000	261,300
Closing Nonlapsing	0	0	0	(24,200)	0
Total	\$0	\$0	\$0	\$225,800	\$261,300
Categories of Expenditure					
Personal Services	0	0	0	185,800	213,500
In-State Travel	0	0	0	0	5,000
Out of State Travel	0	0	0	1,100	5,000
Current Expense	0	0	0	32,700	35,000
DP Current Expense	0	0	0	6,200	2,800
Total	\$0	\$0	\$0	\$225,800	\$261,300
Other Data					
Budgeted FTE	0.0	0.0	0.0	2.0	2.0

Table 61

TECHNOLOGY OUTREACH

Function

The USTAR Technology Outreach Program connects USTAR research and technologies to regional colleges, universities, businesses, and entrepreneurs and encourages local commercialization of these technologies.

As of October, 2007, the Governing Authority has hired a Technology Outreach Program Director, initiated the planning and implementation of a virtual innovation network, and established five outreach centers (Southern Utah University and Dixie State University co-location, Utah Valley State College, Salt Lake Community College Larry Miller Center, Weber University, and the Utah State University Extension in the Uintah Basin).

Statutory Authority

The scope of the USTAR Technology Outreach Program is outlined in UCA 63-38g-202. The program:

- Brokers ideas, new technologies, and services to entrepreneurs and businesses throughout a defined service area;
- Engages local entrepreneurs and professors at applied technology centers, colleges, and universities by connecting them to Utah's research universities;
- Screens business ideas and new technologies to ensure that the ones with the highest growth potential receive the most targeted services and attention;
- Connects market ideas and technologies in new or existing businesses or industries or in regional colleges and universities with the expertise of Utah's research universities;

- Assists businesses, applied technology centers, colleges, and universities in developing commercial applications for their research; and
- Disseminates discoveries and technologies originating at Utah's research universities to local entrepreneurs, businesses, applied technology centers, colleges, and universities.

Funding Detail

Funding is allocated to the staff and resources for the Technology Centers.

Budget History - USTAR - Technology Outreach					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	4,000,000	4,063,200
Closing Nonlapsing	0	0	0	(3,553,700)	0
Total	\$0	\$0	\$0	\$446,300	\$4,063,200
Categories of Expenditure					
Personal Services	0	0	0	299,500	1,268,500
In-State Travel	0	0	0	8,900	0
Out of State Travel	0	0	0	4,300	0
Current Expense	0	0	0	116,300	2,794,700
DP Current Expense	0	0	0	17,300	0
Total	\$0	\$0	\$0	\$446,300	\$4,063,200
Other Data					
Budgeted FTE	0.0	0.0	0.0	0.0	11.0

Table 62

Accountability

The USTAR Governing Board and Executive Director are working to develop meaningful performance measures. The matrix developed by the Board is shown below.

	High Potential Business	Research Connections	New Knowledge
Eastern Utah			
Southern Utah			
Northern Utah			
Salt Lake Area			
Utah County / Central			
Statewide totals			

Table 63

RESEARCH TEAMS

Function

UCA 63-38g-203 directs the USTAR Governing Authority to allocate monies to Utah State University and the University of Utah to fund science and technology research by USTAR scientists.

To date, the two research universities have developed strategic hiring plans that include identification of key research fields. The University of Utah is focusing on hiring teams in diagnostic imaging, personalized medicine, circuits of the brain, imaging technology, nanotechnology biosensors, IT networks and memory, biomedical device innovation, and fossil energy. Utah State University is concentrating on the fields of advanced nutrition,

semiconductor chips and wireless sensors, biofuels, and directed sensors and 3D imaging.

Funding Detail

As specified in previously-noted intent language, the source of financing for research teams is \$11 million General Fund.

Budget History - USTAR - Research Teams					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	11,000,000	11,000,000
Closing Nonlapsing	0	0	0	(1,708,400)	0
Total	\$0	\$0	\$0	\$9,291,600	\$11,000,000
Categories of Expenditure					
Current Expense	0	0	0	9,291,600	11,000,000
Total	\$0	\$0	\$0	\$9,291,600	\$11,000,000

Table 64

Accountability

The USTAR Governing Board and Executive Director are working to develop meaningful performance measures. The matrix developed by the Board is shown below.

	FY 2007	FY 2008	FY 2009	FY 2010
World Class Faculty and Researchers Hired	10			
Research Dollars				
Disclosures				
Licenses to Date				
Jobs Generated				
New Taxes				
New Companies				

Table 65

USTAR PROJECT

Function

During the 2005 General Session, the Legislature allocated \$4 million ongoing from the General Fund to the University of Utah and Utah State University in SB 192 (*High Technology Economic Development Appropriation*) “for recruiting to begin high technology research and development.” Section 13 of SB 75 (*USTAR Initiative*), passed during the 2006 General Session, reassigns this appropriation to the USTAR, specifying a \$4 million appropriation from the General Fund to the USTAR Authority to “provide funding for the Utah Science Technology and Research Project.”

The Governing Authority is working to develop rules for the future allocation of USTAR Project monies. With the FY 2006 appropriation, the University of Utah hired two research scientists, a fossil energy specialist and an information technology networks and memory specialist, and Utah State University hired research scientists in the fields of advanced nutrition and semi-conductor chips and wireless sensors.

Funding Detail

Intent language in General Session 2006 SB 75 directs the Governing authority to devote \$4 million General Fund towards the “USTAR project.”

Budget History - USTAR - Project					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	4,000,000	4,000,000
Closing Nonlapsing	0	0	0	(4,000,000)	0
Total	\$0	\$0	\$0	\$0	\$4,000,000
Categories of Expenditure					
Current Expense	0	0	0	0	4,000,000
Total	\$0	\$0	\$0	\$0	\$4,000,000

Table 66

USTAR RESEARCH BUILDINGS

Function

UCA 63-38g-201 provides direction for the construction of USTAR research buildings. The Governing Authority is to plan, design, construct, and hold title to these buildings on land provided by the University of Utah and Utah State University. The authority must contract with the Division of Facilities Construction and Management to oversee construction of these buildings.

General Session 2006 SB 75 appropriates \$50 million one-time from the General Fund for construction of a Bio Innovations Research Institute at Utah State University and a Neuroscience and Biomedical Technology Research Building at the University of Utah. Additionally, the issuance and sale of \$111.1 million in general obligation bonds for construction is authorized by Utah Annotated Code Title 63B, Chapter 15, Section 101. Before any construction funds may be expended, the universities must certify non-state fund commitments.

Funding Detail

In addition to general obligation bonds and university-certified non-state funds, financing for the first two USTAR research buildings is composed of non-lapsing General Fund one-time monies.

Budget History - USTAR - USTAR Capital Developments					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund, One-time	0	0	0	50,000,000	0
Closing Nonlapsing	0	0	0	(49,042,000)	0
Total	\$0	\$0	\$0	\$958,000	\$0
Programs					
USTAR Research Buildings	0	0	0	958,000	0
Total	\$0	\$0	\$0	\$958,000	\$0
Categories of Expenditure					
Other Charges/Pass Thru	0	0	0	25,200	0
Operating Transfers	0	0	0	932,800	0
Total	\$0	\$0	\$0	\$958,000	\$0

Table 67

CHAPTER 5 TAX COMMISSION

Function	<p>Collection of revenue for state and local governments and administering tax and motor vehicle laws is the primary function of Utah's Tax Commission. The Tax Commission handles revenue from more than 40 taxes, surcharges, fees, registers automobiles, and regulates the automobile dealer industry. In FY 2007, the Commission had 781.5 full-time equivalent employees and operated 12 offices across the state. More than \$7.14 billion in net revenue was collected with expenses of \$66.50 million; for every dollar spent on collecting revenue and enforcement, approximately \$107 in revenue was collected.</p> <p>Mission Statement</p> <p>The mission of the Tax Commission is to collect revenue for the state and local governments and to equitably administer tax and assigned motor vehicle laws.</p>
Statutory Authority	<p>Utah Annotated Code Title 59, Chapters 1 through 27 provide the Tax Commission with statutory authority. The chapters cover everything from property tax to a tax on radioactive waste.</p> <p>Utah Annotated Code Title 41, Chapter 1a provides authority to regulate motor vehicles; authority to regulate motor vehicle businesses is contained in UCA Title 41, Chapter 3.</p>
Intent Language	<p>During the 2007 General Session the Legislature adopted the following intent language for FY 2008 in H.B. 150, Item 64:</p> <p><i>Base Budget Appropriations (2007 General Session), for Utah State Tax Commission, Tax Administration Line Item not lapse at the close of fiscal year 2008. The use of any nonlapsing funds is limited to costs directly related to the modernization of tax and motor vehicle systems and processes, stream-lined sales tax implementation, and electronic transactions.</i></p> <p>Agency Response: Non-lapsing budget authority has provided funds to upgrade systems and processes. It will be used to pay for the tax system replacement costs excluding contractor license and development fees. It will pay for the purchase of a new hardware infra-structure to run the system, third party software products, project management, and project operating costs. This language also provides non-lapsing of funds appropriated for the implementation of the Streamlined Sales Tax legislation.</p> <p>During the 2007 General Session the Legislature adopted the following intent language for FY 2008 in H.B. 150, Item 64:</p> <p><i>It is the intent of the Legislature that the Tax Commission may use the dedicated credits it collected under UCA 63-38a-105, before the repeal of UCA 63-38a-105, for the costs of electronic payment of taxes and fees administered by the Commission during fiscal year 2008.</i></p>

Agency Response: The intent allows for the carrying forward of balances into FY 2008 for electronic payment costs. Future actual fees are estimated based on expected electronic payment use, and are expected to increase as use increases.

The following intent language was adopted by the Legislature during the 2007 General Session in S.B. 1, Item 49 and H.B. 150, Item 64:

It is the intent of the Legislature that Motor Vehicle Enforcement Officers be allowed commute and personal use of vehicles assigned to them for law enforcement duties for fiscal year 2008. This authorization will be provided by funds currently available for fleet vehicle costs and agency policies and procedures will outline the rules related to the use of these vehicles.

Agency Response: In order to comply with Fleet Management Rules, this language formally authorizes Motor Vehicle Enforcement Officers to commute and have limited personal use of their enforcement vehicles. These sworn officers have full law enforcement duties twenty-four hours a day – they can make off duty arrests, provide aid to other enforcement agencies, and are available to assist accident victims. Officer communication and emergency equipment is available at all times in their police vehicle.

Relating to vendor reimbursement, the following language was adopted for FY 2008 in S.B. 1, Item 50:

Under Section 63-38-8.1 of the Utah Code the Legislature intends that any remaining amount of the \$6 million provided for the Tax Commission in Section 5 of Chapter 282, Laws of Utah 2006 not lapse at the close of fiscal year 2007. The use of any nonlapsing funds is limited to reimbursement of businesses for costs related to complying with the reduced sales and use tax rate imposed on food and food ingredients as described in Section 5 of Chapter 282, Laws of Utah 2006.

Agency Response: An extension of the due date for vendor reimbursement required these funds to be non-lapsing into FY08. Actual reimbursement requests were much lower than the amount appropriated; thus, \$5 million lapsed at the end of FY07, and \$382,800 was carried forward to pay for residual requests. Any remaining balance at the end of FY08 will lapse.

Funding Detail

Major sources of finance for the Tax Commission are the General Fund and Uniform School Fund, which together account for over half of the Department's total funding. Proceeds from dedicated credits and restricted revenue also represent large financing sources, accounting for approximately 27 percent of the Commission's total funding in fiscal year 2007. The Commission also draws funding from the Transportation Fund.

Budget History - Utah State Tax Commission					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	18,501,000	20,977,200	22,180,500	23,949,200	25,648,500
General Fund, One-time	0	0	0	5,906,500	95,700
Uniform School Fund	16,761,000	17,430,500	18,151,400	19,312,400	20,360,400
Uniform School Fund, One-time	0	0	0	(83,600)	5,000,000
Transportation Fund	5,857,400	5,857,400	5,857,400	5,857,400	5,857,400
Federal Funds	440,400	429,700	478,600	513,600	453,600
Dedicated Credits Revenue	10,974,100	11,078,600	10,596,000	12,095,700	12,790,400
GFR - Alc Bev Enf & Treatment	2,712,500	3,133,700	3,741,900	4,350,000	4,984,800
GFR - Sales and Use Tax Admin Fees	7,621,600	7,132,000	7,491,300	7,944,000	8,374,700
TFR - Uninsured Motorist I.D.	0	133,800	133,800	133,800	133,800
Transfers	170,700	277,400	150,200	114,800	102,300
Transfers - Utah State Tax Commission	16,200	11,700	0	0	0
Beginning Nonlapsing	6,899,600	9,213,200	11,909,000	10,577,200	8,299,900
Closing Nonlapsing	(9,213,100)	(11,909,000)	(10,577,200)	(8,991,100)	(7,296,300)
Lapsing Balance	0	0	0	(6,841,300)	0
Total	\$60,741,400	\$63,766,200	\$70,112,900	\$74,838,600	\$84,805,200
Line Items					
Tax Administration	55,881,800	58,757,500	64,341,200	67,481,200	77,388,300
License Plates Production	2,147,100	1,875,000	2,029,800	2,390,200	2,432,100
Liquor Profit Distribution	2,712,500	3,133,700	3,741,900	4,350,000	4,984,800
Sales Tax - Vendor Payments	0	0	0	617,200	0
Total	\$60,741,400	\$63,766,200	\$70,112,900	\$74,838,600	\$84,805,200
Categories of Expenditure					
Personal Services	41,700,100	43,786,400	46,244,400	42,981,000	47,262,500
In-State Travel	189,000	193,600	210,100	224,100	231,200
Out of State Travel	424,600	488,700	502,900	435,400	526,900
Current Expense	11,494,900	11,733,500	12,746,200	15,252,900	15,956,500
DP Current Expense	3,710,100	3,901,100	5,894,600	10,040,900	15,214,900
DP Capital Outlay	477,900	529,200	672,000	914,200	402,400
Capital Outlay	35,500	0	46,200	42,400	200,000
Other Charges/Pass Thru	2,709,300	3,133,700	3,741,900	4,947,700	5,010,800
Operating Transfers	0	0	54,600	0	0
Total	\$60,741,400	\$63,766,200	\$70,112,900	\$74,838,600	\$84,805,200
Other Data					
Budgeted FTE	859.5	863.0	863.5	758.3	781.5
Vehicles	58	58	57	73	63

Table 68

The Commission also draws funding from three restricted fund accounts. The following table represents this funding.

Restricted Funds Summary - Tax Commission				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2004 Balance
Sales & Use Tax Administrative Fees	UCA 59-12-206	Sales & Use Tax Portion	Sales tax administration	\$15,777,600
Uninsured Motorist Identification	UCA 41-12a-806	Vehicle Registration Fee	Insurance verification costs	\$6,798,300
Alcoholic Beverage Enforcement & Treatment	UCA 32a-1-115, 59-15-101&102	Beer Excise Tax	Local govt. alcohol-related expenses	\$1,377,000

Table 69

Special Funding

General Fund Restricted – Sales & Use Tax Administrative Fees Account

The Commission contracts with cities, towns, and counties to collect sales and use taxes. The Commission may withhold up to 1.5 percent of collections to cover its costs. These funds are placed in a restricted account, called the Sales and Use Tax Administrative Fees Account. Appropriations may be made from this account for sales tax administration. For specific details, see UCA 59-12-206.

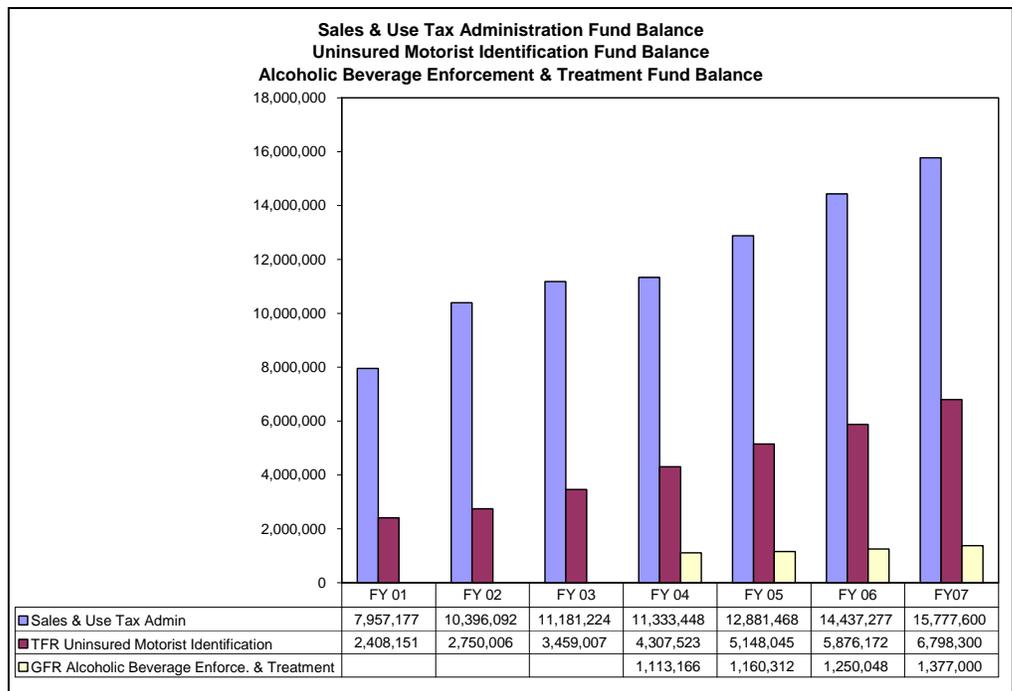


Figure 16

Transportation Fund Restricted – Uninsured Motorist Identification Restricted Account

Revenue to this fund is generated by a \$1 fee on vehicle registrations and \$100 fee charged to re-register a vehicle after a revocation.

Uninsured Motorist Identification Restricted Account funds may be used to offset designated vendor costs of maintaining an information-matching database, sending inquiries to taxpayers when data does not match, and costs associated with revoking and reinstating vehicle registrations. The majority of

these funds are used by Department of Public Safety to cover the ongoing expense of maintaining the database and pay a vendor for the costs of sending letters and updating the database. For specific details, see UCA 41-12a-806. The Tax Commission uses a small proportion, \$133,800 in FY 2007, for revocation and reinstatement costs, with the rest of the costs from this account being used primarily for insurance verification.

General Fund Restricted – Alcoholic Beverage Enforcement and Treatment Restricted Account

UCA 59-15-109 requires the greater of 40 percent of the Beer Excise Tax (equal to \$12.80 per 31-gallon of beer imported or manufactured) collected 2 years prior or \$4,350,000 be deposited to the Alcoholic Beverage Enforcement and Treatment Restricted Account, created in 2003. The funds are appropriated to local governments in amounts specified by code. The appropriation is used exclusively for programs or projects related to prevention, detection, prosecution, and controlling alcohol related offenses. The portion distributed to counties is also used for the confinement or rehabilitation, and construction and maintenance of facilities for confinement or rehabilitation, of persons arrested for or convicted of alcohol-related offenses.

For specific details, see UCA 32a-1-115, 59-15-101 and 59-15-109.

TAX COMMISSION ADMINISTRATION

Function

The Administration Division includes the Commissioners' and the Executive Director's Offices. Both offices provide direction and leadership to the Department.

The Commissioners' Office:

- Develops tax policy and rules;
- Provides an appeals process with most appeals heard by administrative law judges;
- Assures agency operations are in compliance with the law;
- Keeps the public informed with tax bulletins and news releases; and
- Forecasts state revenues and provides economic and statistical analyses from Tax Commission data.

The Executive Director's section:

- Directs and coordinates day to day department operations;
- Provides indirect employee recruitment and supervision, classification, training, and payroll;
- Provides direction and oversight of the budget, training, goal setting and performance measurement;

- Drafts legislation, rules, and bulletins, and coordinates legislative issues;
- Oversees facility operations and security;
- Tracks the state’s revenue collections, including distribution of revenues to local governments, and manages the Department’s internal accounting processes;
- Enforces criminal tax evasion cases; and
- Manages disclosure and IRS liaison functions.

Funding Detail

State funds account for most of the Administration Division’s financing. With 60 budgeted full-time-equivalent employees, the Division’s primary category of expenditure is personal services.

Budget History - Tax Commission - Tax Administration - Administration Division					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	2,074,300	3,791,300	2,991,100	4,120,800	2,568,400
General Fund, One-time	0	0	0	(7,600)	0
Uniform School Fund	2,140,800	2,245,600	2,917,000	2,482,300	2,328,600
Uniform School Fund, One-time	0	0	0	(7,100)	0
Transportation Fund	159,600	159,600	159,600	159,600	159,600
Dedicated Credits Revenue	221,700	381,200	371,200	324,500	372,000
GFR - Sales and Use Tax Admin Fees	677,100	651,900	952,300	698,200	696,700
Transfers - Utah State Tax Commission	16,200	11,700	0	0	0
Beginning Nonlapsing	3,870,600	4,848,500	6,497,100	5,800,400	4,295,200
Closing Nonlapsing	(4,041,800)	(6,497,100)	(5,800,400)	(4,759,000)	(2,990,000)
Lapsing Balance	0	0	0	(1,841,300)	0
Total	\$5,118,500	\$5,592,700	\$8,087,900	\$6,970,800	\$7,430,500
Categories of Expenditure					
Personal Services	4,278,000	4,463,300	4,563,200	4,462,900	4,838,700
In-State Travel	12,700	10,600	10,900	9,600	13,500
Out of State Travel	36,700	44,000	58,000	45,200	67,900
Current Expense	627,400	598,100	578,400	1,412,200	1,409,100
DP Current Expense	163,700	309,100	2,238,600	271,400	578,800
DP Capital Outlay	0	167,600	638,800	769,500	322,500
Capital Outlay	0	0	0	0	200,000
Total	\$5,118,500	\$5,592,700	\$8,087,900	\$6,970,800	\$7,430,500
Other Data					
Budgeted FTE	67.0	67.0	67.0	59.1	60.0
Vehicles	4	4	5	15	5

Table 70

Accountability

The following graph shows the annual number of tax appeals cleared by the Commissioners’ Office. The Office seeks to reduce the appeals backlog to the greatest extent possible. Since FY 2000, the office has cleared between 1,400 and 2,100 appeals a year. Recently, the Tax Commission tracks the number of training hours provided. This is up significantly over the previous year due to extensive training on the new income tax system.

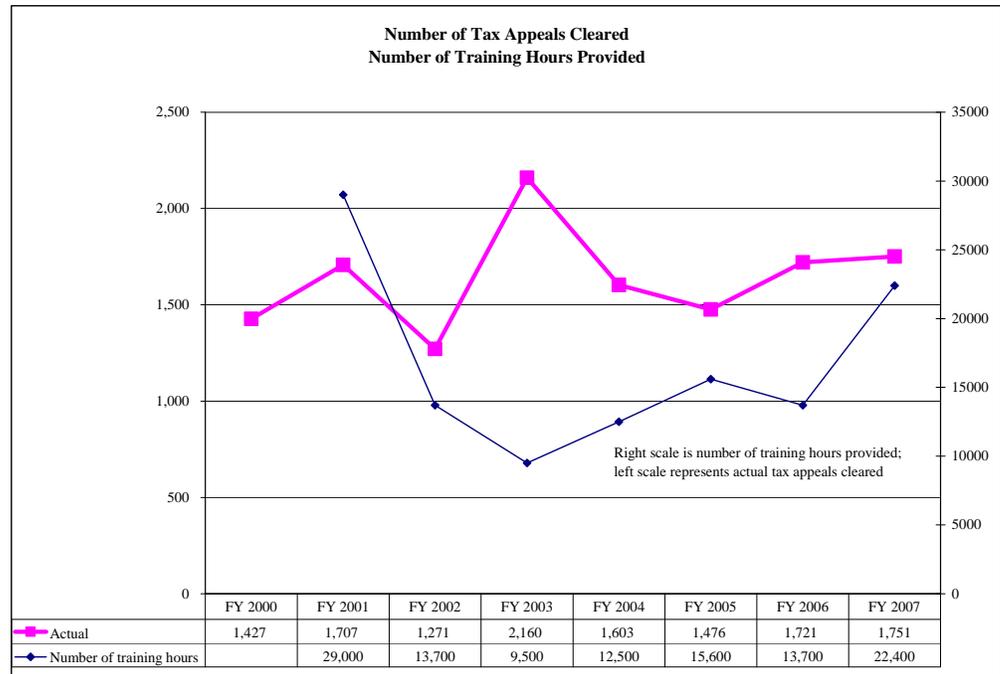


Figure 17

AUDITING

Function

The Auditing Division increases voluntary taxpayer compliance through selective examination of taxpayer returns and supporting records. It audits all taxes except property tax, and conducts audits in-house and at taxpayers' places of business. The Division emphasizes compliance audits for investigation of suspected fraud and tax evasion. Through educational outreach and customer service, the Division works to help taxpayers report future taxes properly.

Funding Detail

The three largest sources of finance for the Auditing Division are the General Fund, Uniform School Fund, and the Sales and Use Tax Administrative Fees Account. As described in the special funding section of this document, the Commission deposits a small percent of its sales and use tax collections on behalf of local entities into the Sales and Use Tax Administrative Fees Account. Appropriations may then be made from this account for sales tax administration purposes.

Budget History - Tax Commission - Tax Administration - Auditing Division					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	2,658,100	2,899,500	3,514,400	3,371,000	4,234,800
General Fund, One-time	0	0	0	(13,300)	0
Uniform School Fund	2,578,500	2,667,600	2,667,000	3,039,500	3,213,500
Uniform School Fund, One-time	0	0	0	(10,500)	0
Transportation Fund	563,200	563,200	563,200	563,200	563,200
Federal Funds	440,400	429,700	459,500	498,600	433,600
GFR - Sales and Use Tax Admin Fees	1,739,000	1,893,300	1,885,900	2,141,800	2,273,200
Transfers	55,100	73,000	100,200	114,800	102,300
Beginning Nonlapsing	214,000	0	0	0	0
Total	\$8,248,300	\$8,526,300	\$9,190,200	\$9,705,100	\$10,820,600
Categories of Expenditure					
Personal Services	7,456,900	7,688,700	8,349,200	8,916,300	9,946,300
In-State Travel	64,000	64,200	85,200	87,700	87,900
Out of State Travel	322,800	377,500	355,300	337,400	376,000
Current Expense	385,500	376,800	370,200	348,000	395,000
DP Current Expense	19,100	19,100	30,300	15,700	15,400
Total	\$8,248,300	\$8,526,300	\$9,190,200	\$9,705,100	\$10,820,600
Other Data					
Budgeted FTE	135.0	135.0	135.0	125.1	135.0

Table 71

Accountability

The following chart details audit satisfaction on a scale from one to five. A rating of five means the taxpayer “strongly agrees” with the statement, “overall, I was satisfied with the manner in which the audit was conducted,” and a rating of one means the taxpayer “strongly disagrees” with the statement. Over the past eight years, the Division has consistently maintained a rating between four and five.

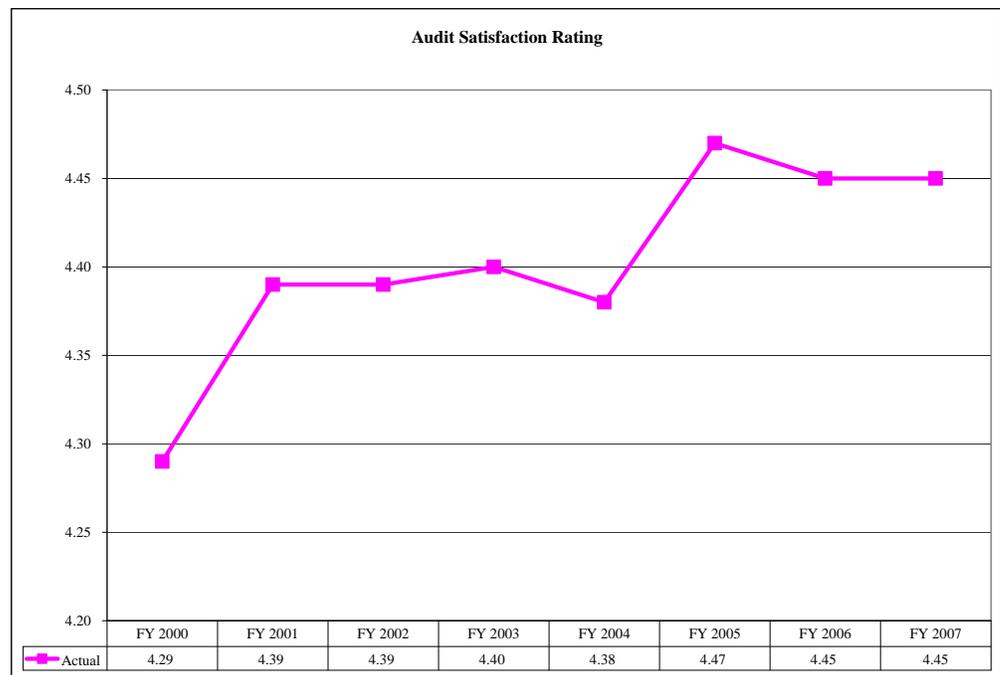


Figure 18

The Auditing Division seeks to ensure that all taxpayers pay a fair share. To measure success of this effort, the Division tracks discovery and audit of unlicensed sales tax and corporate franchise tax liabilities. The table below shows the number of new accounts discovered over the past two fiscal years.

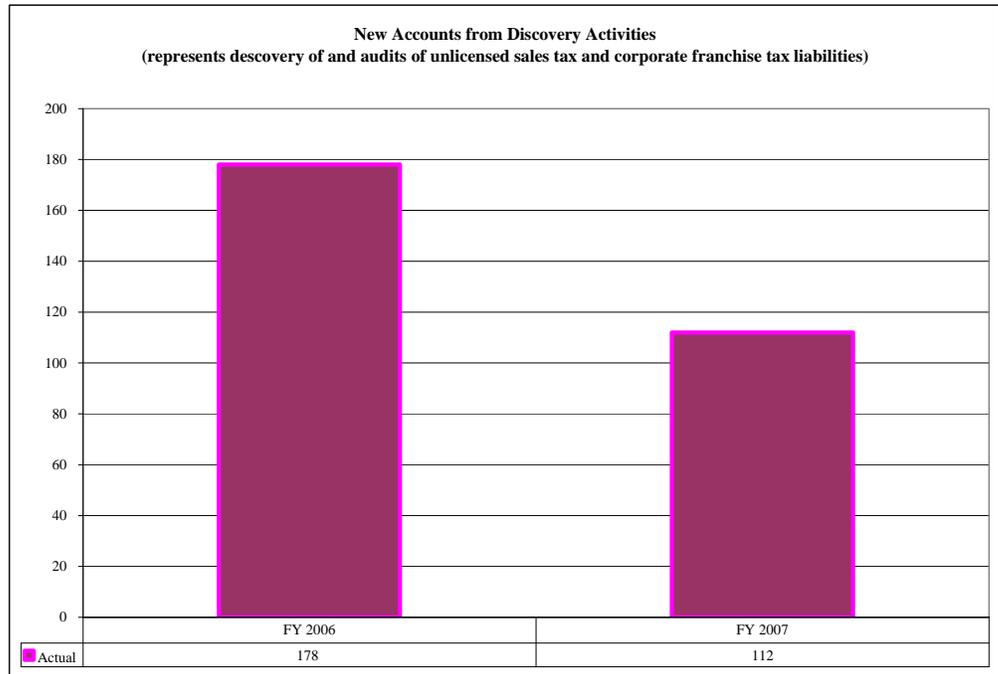


Figure 19

MULTI-STATE TAX COMPACT

Function

The Multi-State Tax Commission (MTC) is a group of state governments working together to help make state tax systems fair, effective, and efficient as for interstate and international commerce. It is also an effort to protect state tax sovereignty.

The Commission’s two primary projects are the joint audit program and the National Nexus Program. The joint audit program reviews a business’ sales and corporate income tax filings for several states at the same time. Accordingly, the audit program encourages compliance with state tax laws, generates tax revenues for states, contributes to uniformity in taxpayer treatment, and helps states learn about new industry conditions and circumstances. The National Nexus Program encourages voluntary disclosure and discovers businesses that are not filing returns with states. The nexus program facilitates an exchange of information between states to identify business reporting or filing inconsistencies among these states.

Funding Detail

Funding for the Multi-State Tax Compact is made up entirely of General Fund, Uniform School Fund, and the Sales and Use Tax Administrative Fees Account. Annual expenditures represent membership dues.

Budget History - Tax Commission - Tax Administration - Multi-State Tax Compact					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	72,500	84,400	96,400	106,400	97,700
Uniform School Fund	67,100	67,100	66,200	67,100	67,100
GFR - Sales and Use Tax Admin Fees	40,900	40,900	40,400	40,900	40,900
Total	\$180,500	\$192,400	\$203,000	\$214,400	\$205,700
Categories of Expenditure					
Current Expense	180,500	192,400	203,000	214,400	205,700
Total	\$180,500	\$192,400	\$203,000	\$214,400	\$205,700

Table 72

TECHNOLOGY MANAGEMENT

Function

The Department of Technology Systems (DTS) now operates and maintains the Tax Commission’s 60 different automated systems. It also develops and installs new automated systems to meet specialized demands. In addition, DTS provides service to internal customers through a system-wide “help desk.”

The Tax Commission continues to modernize tax and motor vehicle systems and processes. New funding to replace the state’s core tax systems was initiated in 2006 with a one-time appropriation of \$7 million to DTS. The total vendor cost to replace the existing core systems is \$22.5 million, with costs and execution spanning over the next several years. This project will include the replacement of the automated systems used to process, record, and distribute sales tax, income tax, employer withholding tax, corporate tax, and the fuel taxes. Replacement of the income tax system was implemented in January 2007; implementation of the sales tax system is scheduled to be updated in March 2008. During the 2007 General Session, project funding included \$5 million as part of the total payment towards replacing the existing system.

A new delinquent tax collection tracking system has improved collection tools and processes. The new motor vehicle system allows the on-line and immediate update of vehicle information. The Salt Lake motor vehicle offices are now using an automated line-management system to expedite the traffic flow through those offices.

Other initiatives pursued by the Tax Commission include the expanded use of on-line filing, scanning or image-lifting technology to electronically extract return information, and designing systems so that "data warehousing" of taxpayer information can be accomplished.

All of these improvements will provide better tools to assist taxpayers in tax compliance and make the processing and verification of taxpayer information more efficient. Improvements are expected to continue for several more years and until all systems and processes have been reviewed for update. It should be noted that Technology Management employees are now classified as part of the Department of Technology Systems workforce.

Funding Detail

In addition to the General Fund, Uniform School Fund, and Sales and Use Tax Administrative Fees Account, the Transportation Fund is a major source of financing for technology management.

Budget History - Tax Commission - Tax Administration - Technology Management					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	3,241,900	3,195,300	3,175,600	3,334,700	3,495,800
General Fund, One-time	0	0	0	(28,900)	0
Uniform School Fund	2,522,200	2,575,100	2,748,200	2,853,700	3,028,000
Uniform School Fund, One-time	0	0	0	(34,000)	5,000,000
Transportation Fund	2,001,200	2,001,200	2,001,200	2,001,200	2,001,200
Dedicated Credits Revenue	110,400	111,900	116,700	126,700	111,700
GFR - Sales and Use Tax Admin Fees	2,454,900	1,370,800	1,464,000	1,502,100	1,564,200
Transfers	115,600	204,400	0	0	0
Beginning Nonlapsing	0	48,800	0	0	0
Closing Nonlapsing	(855,400)	0	0	0	0
Total	\$9,590,800	\$9,507,500	\$9,505,700	\$9,755,500	\$15,200,900
Categories of Expenditure					
Personal Services	5,419,300	5,544,300	5,803,900	0	0
In-State Travel	6,400	5,900	5,200	3,300	5,900
Out of State Travel	25,600	21,500	29,100	15,900	30,500
Current Expense	328,100	217,500	207,900	202,600	625,100
DP Current Expense	3,333,500	3,356,700	3,426,400	9,411,400	14,433,500
DP Capital Outlay	477,900	361,600	33,200	122,300	79,900
Other Charges/Pass Thru	0	0	0	0	26,000
Total	\$9,590,800	\$9,507,500	\$9,505,700	\$9,755,500	\$15,200,900
Other Data					
Budgeted FTE	74.0	74.0	75.0	0.0	0.0

Table 73

TAX PROCESSING

Function

The Tax Processing Division disseminates tax forms, instructions, and publications to citizens. It collects and records tax payments and taxpayer information, processes paper and electronic tax documents, and maintains archival records.

Funding Detail

The main funding sources for the Tax Processing Division are the General Fund, Uniform School Fund, Transportation Fund, and Sales and Use Tax Administrative Fees Account. The majority of the Division’s expenditures are on personal services and current expense, with postage and mailing making up a large portion (about \$1.3 million in FY 2007) of current expense.

Budget History - Tax Commission - Tax Administration - Tax Processing Division					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	2,478,600	2,114,000	2,494,400	2,586,900	3,068,900
General Fund, One-time	0	0	0	(6,600)	0
Uniform School Fund	2,698,800	2,783,100	2,565,800	3,018,600	3,156,300
Uniform School Fund, One-time	0	0	0	(6,600)	0
Transportation Fund	929,100	929,100	929,100	929,100	929,100
Dedicated Credits Revenue	103,700	154,300	209,300	274,100	274,500
GFR - Sales and Use Tax Admin Fees	781,500	1,238,900	1,142,300	1,340,900	1,405,000
Total	\$6,991,700	\$7,219,400	\$7,340,900	\$8,136,400	\$8,833,800
Categories of Expenditure					
Personal Services	4,521,700	4,763,400	4,865,500	5,233,700	6,150,000
In-State Travel	300	400	200	100	1,900
Out of State Travel	5,900	7,700	3,100	2,500	6,800
Current Expense	2,408,100	2,382,700	2,448,800	2,792,800	2,659,700
DP Current Expense	20,200	65,200	23,300	64,900	15,400
Capital Outlay	35,500	0	0	42,400	0
Total	\$6,991,700	\$7,219,400	\$7,340,900	\$8,136,400	\$8,833,800
Other Data					
Budgeted FTE	132.5	134.0	131.0	113.4	131.0
Vehicles	3	3	2	2	2

Table 74

Accountability

The dates by which all timely-filed income tax returns are entered and checks deposited are shown in the following table. Processing completion dates can vary from year to year based on a number of factors, including the timing of when the majority of the workload is received. In FY07, the Processing Division completed returns ahead of the date at which the State must pay interest on returns that are filed accurately and on time. The expected performance level was achieved through the first cycle of the Agency’s newly implemented income tax computer system.

Tax Processing Dates: All Timely Filed Returns Entered and All Checks Deposited					
	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Date All Timely Filed Returns Entered	June 30	June 30	July 13	May 25	June 11
Date All Checks Deposited	April 30	April 30	April 21	April 28	April 26

Table 75

SEASONAL EMPLOYEES

Function

Seasonal employees are an important factor in the efficient operation of the Tax Commission. Commission workloads vary sharply throughout the year. For instance, the Processing Division utilizes temporary employees during high volume document filing periods, such as the spring for income tax returns and each quarter for business tax returns.

Funding Detail

The Tax Commission uses a mix of General Fund, Uniform School Fund, and the Sales and Use Tax Administrative Fees Account to fund its 16 full-time-equivalent seasonal employees.

Budget History - Tax Commission - Tax Administration - Seasonal Employees					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	119,400	178,200	191,300	154,200	203,300
Uniform School Fund	142,100	147,300	151,600	150,600	161,300
GFR - Sales and Use Tax Admin Fees	9,500	9,900	10,200	10,100	10,600
Total	\$271,000	\$335,400	\$353,100	\$314,900	\$375,200
Categories of Expenditure					
Personal Services	271,000	335,400	353,100	314,900	375,200
Total	\$271,000	\$335,400	\$353,100	\$314,900	\$375,200
Other Data					
Budgeted FTE	16.0	16.0	16.0	16.7	16.0

Table 76

TAXPAYER SERVICES

Function

Taxpayer Services promotes voluntary compliance with Utah tax statutes, through outreach and education programs. Its employees respond to written, phone, or in-person requests from taxpayers, assisting them in resolving tax issues by providing timely and accurate information. They use the Computer Assisted Collection System for Government (CACSG) to increase collection efficiency. The program also uses the Treasury Offset Program (TOP) to garnish Federal refunds of approximately than 10,600 delinquent Utah taxpayers over the following year. The Division also out-sources debt collection of accounts that are not in litigation, under a payment agreement, assigned to a collector for active collection, or whose outsourcing would be in violation of state or federal law.

Funding Detail

Like many of the other programs under the Tax Commission, the majority of the funding mix for Taxpayer Services is General Fund, Uniform School Fund, and the Sales and Use Tax Administrative Fees Account.

Budget History - Tax Commission - Tax Administration - Tax Payer Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	3,068,900	3,425,500	3,763,100	3,908,400	4,259,100
General Fund, One-time	0	0	0	(14,100)	0
Uniform School Fund	2,949,900	3,190,500	3,282,300	3,526,400	3,692,900
Uniform School Fund, One-time	0	0	0	(11,500)	0
Transportation Fund	123,600	123,600	123,600	123,600	123,600
Dedicated Credits Revenue	38,500	45,800	46,400	44,700	46,500
GFR - Sales and Use Tax Admin Fees	1,462,600	1,582,300	1,640,700	1,756,900	1,856,500
Beginning Nonlapsing	180,000	0	0	0	0
Total	\$7,823,500	\$8,367,700	\$8,856,100	\$9,334,400	\$9,978,600
Categories of Expenditure					
Personal Services	7,149,000	7,744,200	8,229,500	8,683,100	9,356,200
In-State Travel	12,300	15,300	17,600	20,900	17,500
Out of State Travel	2,700	900	1,000	3,300	2,000
Current Expense	641,300	587,700	586,800	604,200	582,900
DP Current Expense	18,200	19,600	21,200	22,900	20,000
Total	\$7,823,500	\$8,367,700	\$8,856,100	\$9,334,400	\$9,978,600
Other Data					
Budgeted FTE	155.0	156.0	155.0	150.9	154.0
Vehicles	7	7	5	5	5

Table 77

Accountability

Taxpayer Services aims to keep the collection costs per dollar collected low, but not so low so as to result in the avoidance of difficult to collect cases. The chart below shows that the cost of collections has stabilized at five cents per dollar collected. The division aims to maintain costs at this level.

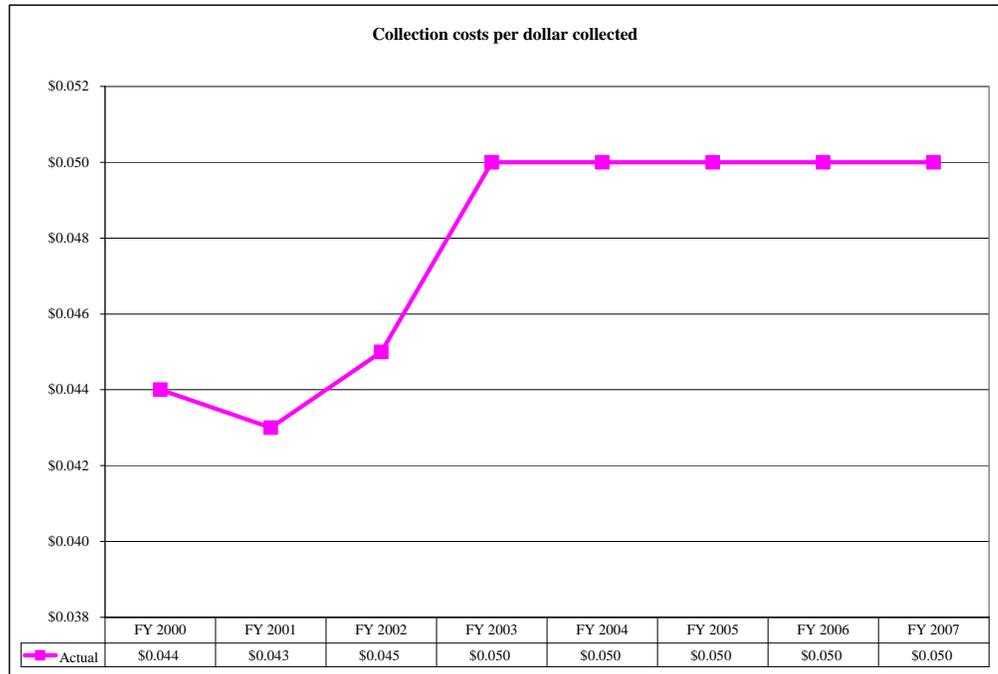


Figure 20

The division strives to resolve outstanding balances as they become delinquent since funds are more easily collected when the time they are allowed to remain unpaid is minimal. One of Taxpayer Services’ goals is to meet or exceed delinquent collections of the prior year. As shown in the graph below the office has accomplished this goal since FY 2004.

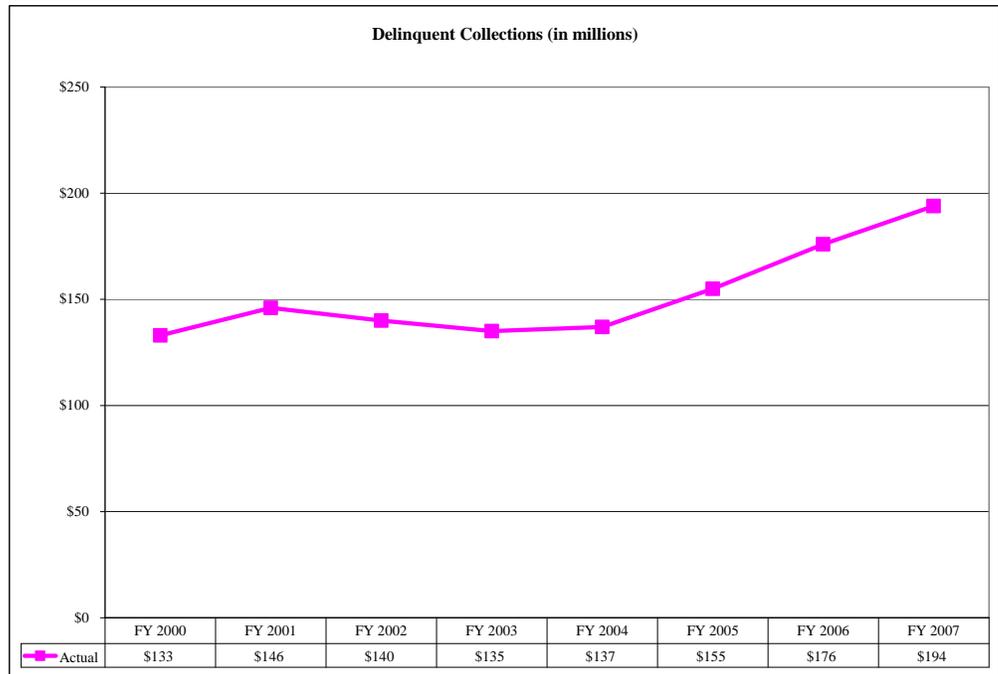


Figure 21

Another measure that Taxpayer Services uses to measure its success is the ratio of delinquent collections to total net accounts receivable dollars. The following graph shows that the program increased this ratio by just under two percentage points since FY 2000.

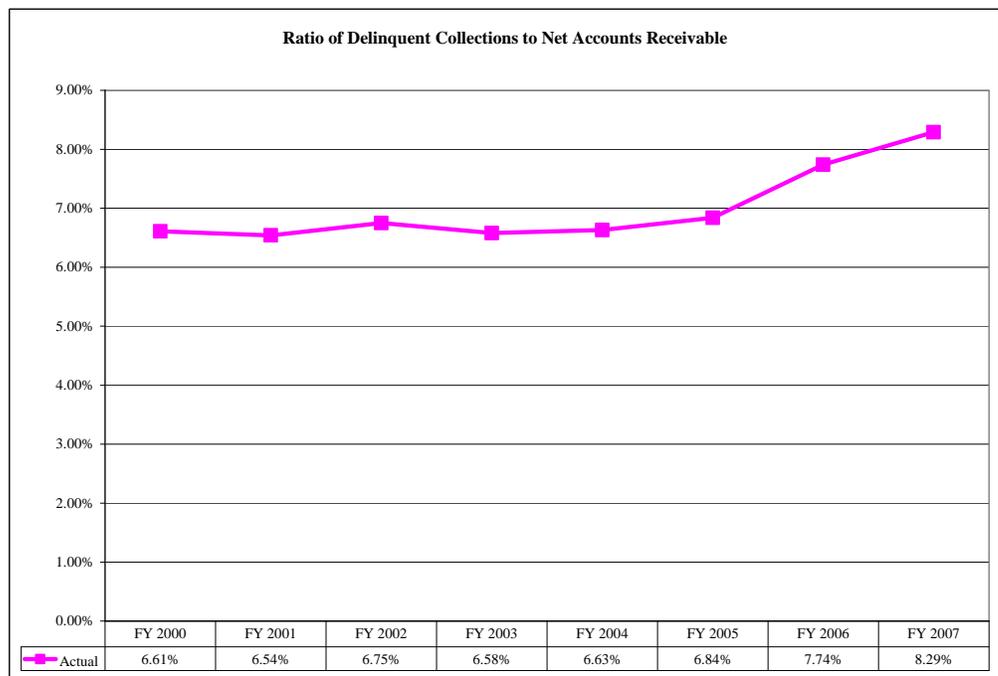


Figure 22

PROPERTY TAX

Function

The Property Tax Division appraises and audits complex natural resource extraction and transportation related properties in the state, as well as properties that cross county or state lines. Such properties include those owned by airlines, motor carriers, railroads, and utilities.

The Division works with local officials to assure equitable and accurate assessment and taxation under local property tax systems. It also administers the Truth-In-Taxation law.

Funding Detail

The Property Tax Division’s primary financing source is the Uniform School Fund. A portion of funding comes from a property assessment fee authorized by UCA 59-2-703 and 59-2-705.

Budget History - Tax Commission - Tax Administration - Property Tax Division					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	0	(500)
Uniform School Fund	3,661,600	3,754,200	3,753,300	4,174,200	4,712,700
Uniform School Fund, One-time	0	0	0	(13,900)	0
Dedicated Credits Revenue	104,700	97,200	127,100	98,500	130,000
GFR - Sales and Use Tax Admin Fees	10,800	11,200	10,100	12,100	12,700
Total	\$3,777,100	\$3,862,600	\$3,890,500	\$4,270,900	\$4,854,900
Categories of Expenditure					
Personal Services	3,246,800	3,375,700	3,469,800	3,770,200	4,166,300
In-State Travel	74,000	78,600	67,600	81,800	80,500
Out of State Travel	22,600	26,000	30,100	25,800	30,000
Current Expense	423,300	368,200	314,400	375,800	562,100
DP Current Expense	10,400	14,100	8,600	17,300	16,000
Total	\$3,777,100	\$3,862,600	\$3,890,500	\$4,270,900	\$4,854,900
Other Data					
Budgeted FTE	56.0	56.0	56.0	53.0	57.0
Vehicles	12	12	12	15	15

Table 78

Accountability

Since FY 2001, the Division has completed valuation of centrally assessed companies on time, as shown in the following graph.

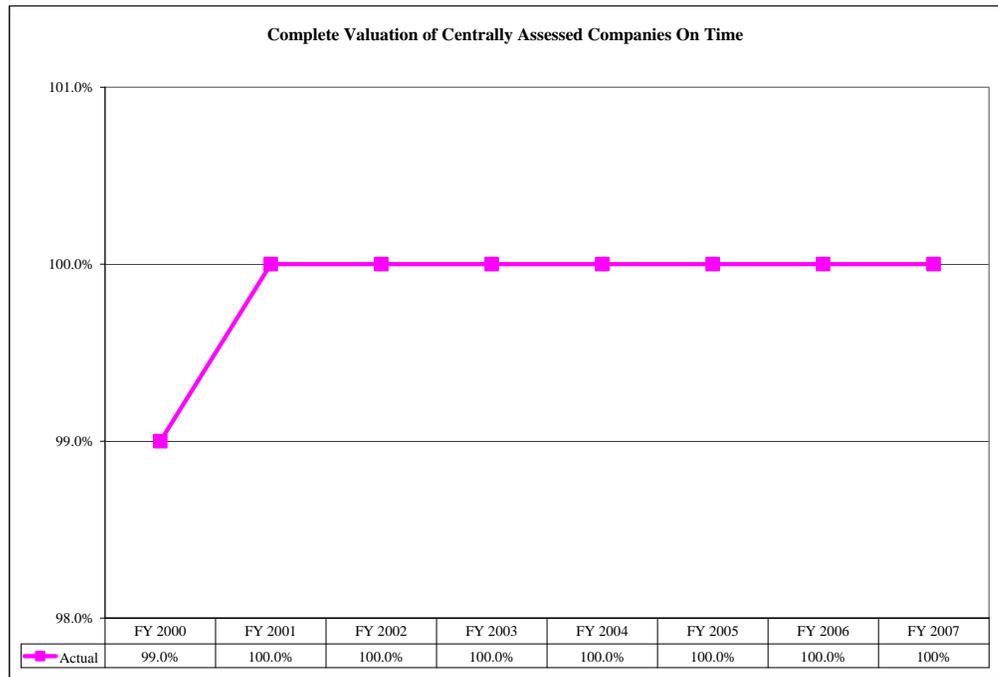


Figure 23

The Division measures effectiveness in helping counties to comply with the law by monitoring the number of counties not receiving corrective action orders. The more effective the Division is in helping counties with up-front compliance, the lower the number of counties receiving orders. The graph below shows that in FY 2007, one county received a corrective action order.

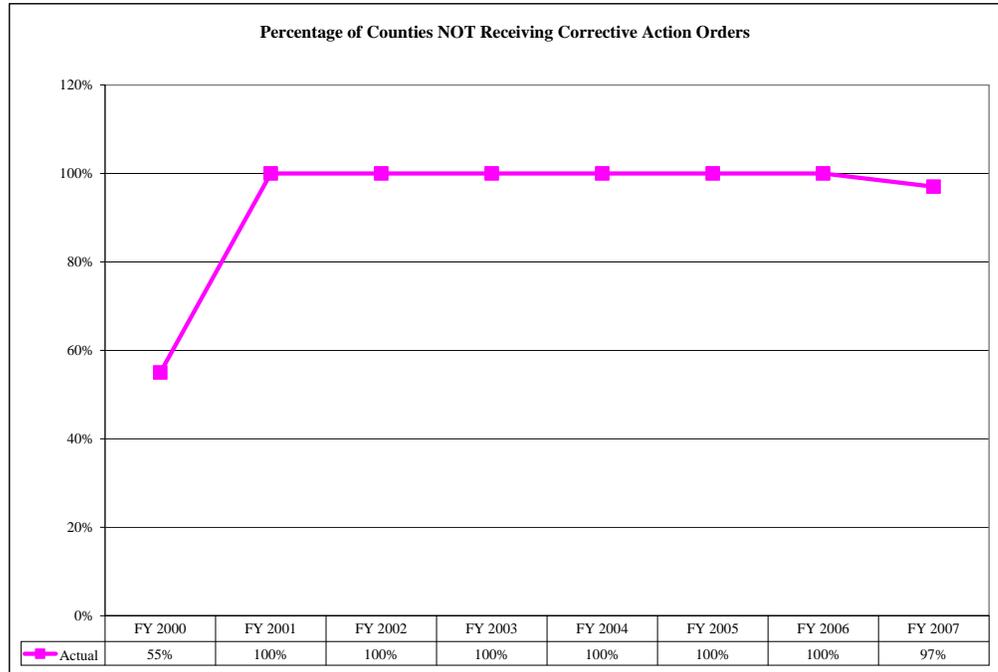


Figure 24

To measure the workload and efficiency of property auditors, the Division tracks the number of personal property audits per year per auditor. As shown in the following graph, the number of audits per auditor has generally increased since FY 2001, although it is down from FY 2006.

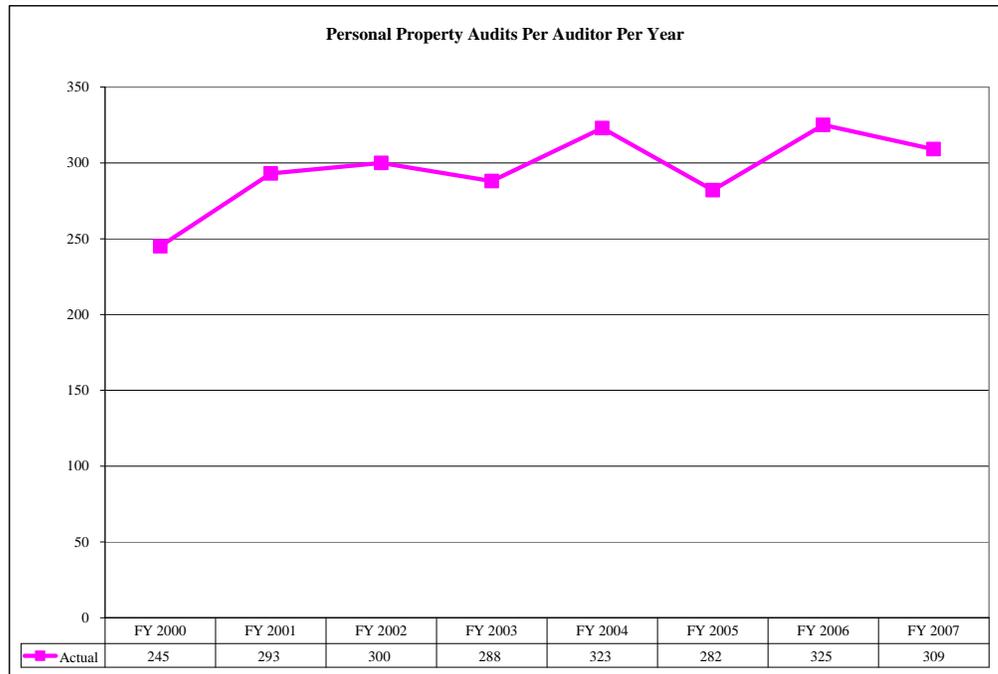


Figure 25

MOTOR VEHICLES

Function

The Division of Motor Vehicles (DMV) administers statewide vehicle title, registration, and related functions. It implements motor vehicle policy and procedure and helps maintain the State’s motor vehicle computer system. Also, the DMV provides training to all computer users, manages a telephone section for statewide assistance, and manages vehicle-related appeals. Additionally, the DMV administers the International Registration Plan and the International Fuel Tax Administration Plan.

Utah Annotated Code 59-2-406 authorizes the Tax Commission to contract with county governments, at the counties’ option, to provide local customer services for the combined collection of the county’s fee-in-lieu and Title 41 Motor Vehicle Fees. Several counties have elected to retain those functions. Fees for the reciprocal services provided between the State and counties are established in statute. Subsection 406 (3) sets the reimbursement fee and instructs that an adjustment be made each year based on the prior year’s consumer price index change. The approval and reimbursement of fees are made by the Legislature.

Funding Detail

In addition to the General Fund and Transportation Fund, dedicated credit revenue makes up a large portion of the Division’s funding. The two largest dedicated credit sources are property assessment fees and electronic payment fees, which totaled about \$2.1 million and \$1.6 million, respectively, in FY 2007.

Budget History - Tax Commission - Tax Administration - Motor Vehicles					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	4,223,000	5,278,400	5,909,400	6,425,300	7,515,800
General Fund, One-time	0	0	0	(22,700)	20,700
Transportation Fund	2,080,700	2,080,700	2,080,700	2,080,700	2,080,700
Dedicated Credits Revenue	6,818,000	5,867,300	4,928,300	5,955,200	6,932,800
GFR - Sales and Use Tax Admin Fees	407,100	291,300	323,700	393,300	416,300
TFR - Uninsured Motorist I.D.	0	133,800	133,800	133,800	133,800
Beginning Nonlapsing	0	1,648,200	2,325,400	1,310,800	572,600
Closing Nonlapsing	(1,648,200)	(2,325,400)	(1,310,800)	(259,900)	(908,100)
Total	\$11,880,600	\$12,974,300	\$14,390,500	\$16,016,500	\$16,764,600
Categories of Expenditure					
Personal Services	7,764,300	8,127,800	8,723,600	9,383,600	10,106,200
In-State Travel	13,300	15,200	17,200	15,300	18,000
Out of State Travel	5,400	7,200	11,300	2,700	9,000
Current Expense	3,955,300	4,709,500	5,495,800	6,361,600	6,499,300
DP Current Expense	142,300	114,600	142,600	230,900	132,100
DP Capital Outlay	0	0	0	22,400	0
Total	\$11,880,600	\$12,974,300	\$14,390,500	\$16,016,500	\$16,764,600
Other Data					
Budgeted FTE	194.5	195.0	195.5	207.4	196.5
Vehicles	1	1	2	2	2

Table 79

Accountability

To monitor any shifts in workload on account of county-exercised options, the Division tracks the number of transactions processed by state functions to the workload completed by the counties. Since FY04, the State’s share of total transactions has increased from 84.1% to 85.0%.

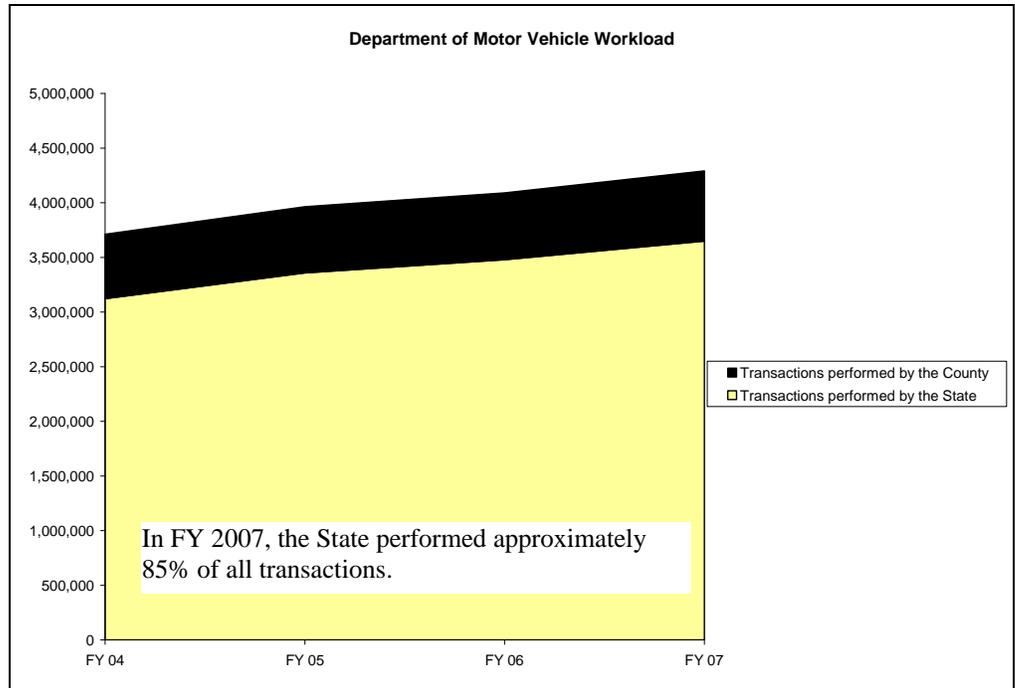


Figure 26

In order to improve efficiency, the Division seeks to encourage the use of electronic processing. The following graph shows success in this effort, with the number of renewals by internet surpassing renewals by mail in FY 2005.

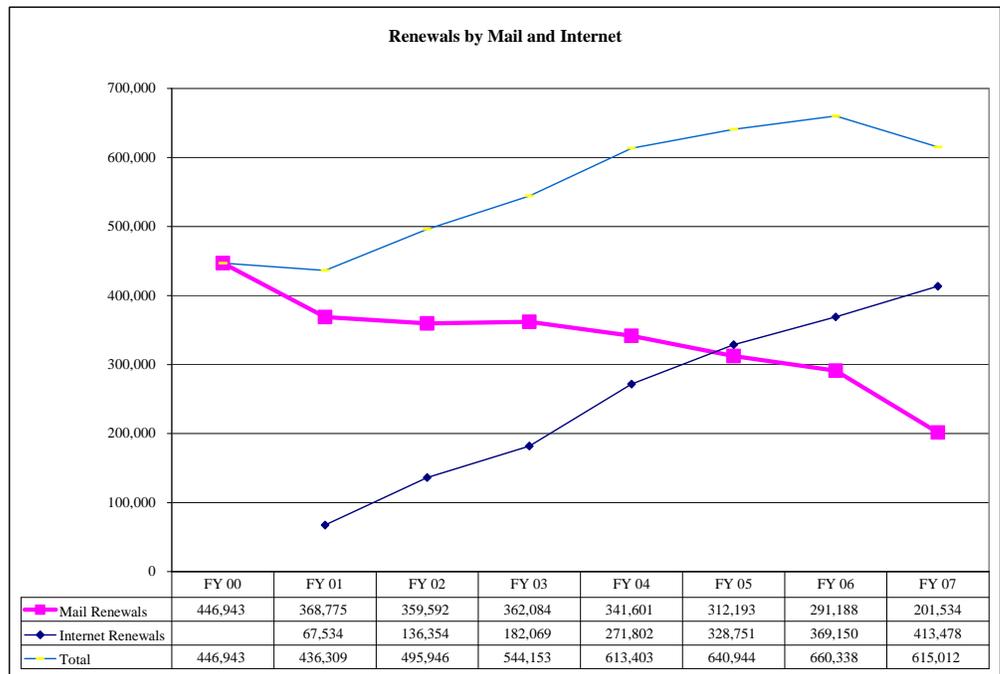


Figure 27

MOTOR VEHICLE ENFORCEMENT

Function The Motor Vehicle Enforcement Division (MVED) protects Utah citizens from motor vehicle fraud and fosters a healthy motor vehicle sales environment. Officer duties include title, odometer and motor vehicle dealer fraud investigations, regulatory licensing enforcement, VIN inspections, registration enforcement, and investigation of consumer complaints against licensed dealers, commercial auto theft, and salvage vehicle fraud.

Funding Detail The greatest portion of the Motor Vehicle Enforcement Division’s funding is in the form of dedicated credits. Of all division dedicated credits, the temporary permit fee generates the greatest revenue, about \$2.6 million in FY 2007. Senate Bill 106 of the 2007 General Session removed the temporary permit fee from statute. The Motor Vehicle Enforcement Division is now authorized to modify this fee in the budget process to cover division cost increases including compensation package costs.

Budget History - Tax Commission - Tax Administration - Motor Vehicle Enforcement Division					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	564,300	10,600	44,800	(58,500)	205,200
General Fund, One-time	0	0	0	(300)	75,000
Federal Funds	0	0	19,100	15,000	20,000
Dedicated Credits Revenue	1,405,500	2,170,700	2,398,800	2,755,600	2,524,700
GFR - Sales and Use Tax Admin Fees	38,200	41,500	21,700	47,700	98,600
Transfers	0	0	50,000	0	0
Beginning Nonlapsing	0	8,200	51,800	62,900	62,900
Closing Nonlapsing	(8,200)	(51,800)	(62,900)	(60,100)	(62,900)
Total	\$1,999,800	\$2,179,200	\$2,523,300	\$2,762,300	\$2,923,500
Categories of Expenditure					
Personal Services	1,593,100	1,743,600	1,886,600	2,216,300	2,323,600
In-State Travel	6,000	3,400	6,200	5,400	6,000
Out of State Travel	2,900	3,900	15,000	2,600	4,700
Current Expense	395,100	425,600	511,100	534,500	585,500
DP Current Expense	2,700	2,700	3,600	3,500	3,700
Capital Outlay	0	0	46,200	0	0
Operating Transfers	0	0	54,600	0	0
Total	\$1,999,800	\$2,179,200	\$2,523,300	\$2,762,300	\$2,923,500
Other Data					
Budgeted FTE	29.5	30.0	33.0	32.8	32.0
Vehicles	31	31	31	34	34

Table 80

Accountability The Division tracks the total number of motor vehicle crime investigations each year in order to assess the work load and output of investigative staff. After a four year decline, investigations began increasing after FY 2004, but are down 15 percent over the previous fiscal year. Crime investigations were high in FY2006 due largely to several used car dealerships going out of business.

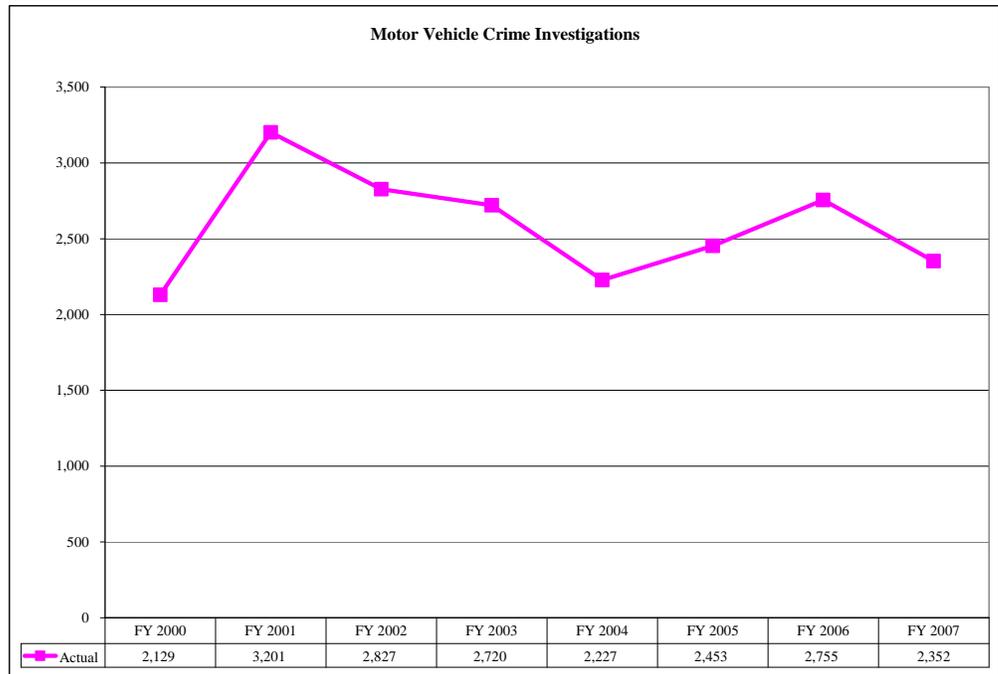


Figure 28

Each year, MVED officers recover more stolen vehicle than other law enforcement officers because of an emphasis on vehicle enforcement. MVED has less than 1 percent of all law enforcement officers in Utah, though they recovered 7 percent of all stolen vehicles in FY 2007. The following graph shows an increase in the number of recovered stolen vehicles over time.



Figure 29

LICENSE PLATE PRODUCTION

Function This line item accounts for materials and labor for the State Prison license plate production operation.

Funding Detail Funding for this is generated solely through license plate fees. Funds do not lapse as specified in Utah Annotated Code 41-1-43.

Budget History - Tax Commission - License Plates Production					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	2,171,600	2,250,200	2,398,200	2,516,400	2,398,200
Beginning Nonlapsing	2,635,000	2,659,500	3,034,700	3,403,100	3,369,200
Closing Nonlapsing	(2,659,500)	(3,034,700)	(3,403,100)	(3,529,300)	(3,335,300)
Total	\$2,147,100	\$1,875,000	\$2,029,800	\$2,390,200	\$2,432,100
Categories of Expenditure					
Current Expense	2,147,100	1,875,000	2,029,800	2,390,200	2,432,100
Total	\$2,147,100	\$1,875,000	\$2,029,800	\$2,390,200	\$2,432,100

Table 81

LIQUOR PROFIT DISTRIBUTION

Function This line item accounts for a portion of revenue generated by the beer tax, collected by the Tax Commission and distributed to local governments.

The Distribution formula for these funds is as follows:

- 25 percent to cities, counties and towns based on population;
- 30 percent to cities, counties and towns based on alcohol related convictions;
- 20 percent to cities, counties and towns based on the number of liquor stores;
- 25 percent to counties for facilities based on population.

Funding Detail

All funding stems from the General Fund Restricted – Alcoholic Beverage Enforcement and Treatment Restricted Account. Funding is the greater of 40% of beer sales from 2 years prior, or \$4,350,000.

Budget History - Tax Commission - Liquor Profit Distribution					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Alc Bev Enf & Treatment	2,712,500	3,133,700	3,741,900	4,350,000	4,984,800
Total	\$2,712,500	\$3,133,700	\$3,741,900	\$4,350,000	\$4,984,800
Categories of Expenditure					
Current Expense	3,200	0	0	0	0
Other Charges/Pass Thru	2,709,300	3,133,700	3,741,900	4,350,000	4,984,800
Total	\$2,712,500	\$3,133,700	\$3,741,900	\$4,350,000	\$4,984,800

Table 82

SALES TAX VENDOR PAYMENTS

Function

During the 2006 General Session, the Legislature appropriated \$6 million one-time from the General Fund to the Tax Commission in HB 109, *Sales and Use Tax – Food and Food Ingredients*. The State Tax Commission was directed to distribute this amount to certain businesses to offset the cost of complying with the reduced sales and use tax rate imposed on food and food ingredients.

Funding Detail

Funding for the sales tax vendor payments was entirely through a General Fund, One-time appropriation for FY2007. The Tax Commission lapsed \$ 5 million at the end of FY2007 due to vendor reimbursement applications being much less than appropriated; \$382,800 has been carried forward to cover the residual reimbursement requests.

Budget History - Tax Commission - Sales Tax - Vendor Payments					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund, One-time	0	0	0	6,000,000	0
Closing Nonlapsing	0	0	0	(382,800)	0
Lapsing Balance	0	0	0	(5,000,000)	0
Total	\$0	\$0	\$0	\$617,200	\$0
Categories of Expenditure					
Current Expense	0	0	0	16,600	0
DP Current Expense	0	0	0	2,900	0
Other Charges/Pass Thru	0	0	0	597,700	0
Total	\$0	\$0	\$0	\$617,200	\$0

Table 83

GLOSSARY

Finance categories used by the state are:

- General Fund** This is one of the state's most important sources of income. The primary revenue source is the sales tax, although there are other taxes and fees which are deposited into this fund. General Funds may be spent at the discretion of the Legislature, as the Constitution allows. Personal income taxes and corporate franchise taxes are not deposited into the General Fund, but into the Uniform School Fund.
- Education Fund** This is another of the state's most important sources of income. Revenues come primarily from personal income taxes and corporate franchise taxes. Funds are constitutionally restricted to public and higher education. In the Capital Facilities subcommittee, these funds are used for debt service and capital improvements (alteration, repair and improvements).
- Transportation Funds** Transportation funds are derived primarily from the gas tax and are constitutionally restricted to road and highway related issues. In the Capital Facilities subcommittee, these funds are used for debt service on highway bonds, especially for Centennial Highway Fund projects.
- Federal Funds** Federal agencies often make funds available to the state for programs that are consistent with the needs and goals of the state and its citizens and are not prohibited by law. Generally, federal funds are accompanied by certain requirements. A common requirement is some form of state match in order to receive the federal dollars. The Legislature must review and approve most large federal grants before state agencies may receive and expend them.
- Dedicated Credits** Dedicated Credits are funds that are paid to an agency for specific services and are dedicated to financing that service. For example, fees collected by an internal service fund agency from another state agency are dedicated credits. By law, these funds must be spent before other appropriated state funds are spent. An agency must estimate the level of its service for the following fiscal year, and thus its level of dedicated credits. Dedicated credits for the Utah System of Higher Education are comprised mainly of tuition and fees.
- Restricted Funds** Restricted funds are statutorily restricted to designated purposes. The restricted funds usually receive money from specific sources, with the understanding that those funds will then be used for related purposes.
- Lapsing/Nonlapsing** Several other small funds are used by certain agencies. These will be discussed in further detail as the budgets are presented. Lapsing funds, however, should be addressed. Funds lapse, or revert back to the state, if the full appropriation is not spent by the end of the fiscal year. Since it is against the law to spend more than the Legislature has appropriated, all programs will either spend all the money or have some left over. The funds left over lapse to the state, unless specifically exempted. Those exceptions include funds that are setup as nonlapsing in their enabling legislation, or appropriations designated nonlapsing by annual intent language per UCA 63-38-8.1. In these cases, left over funds do not lapse back to the state, but remain with the agency in a special nonlapsing balance, for use in the next fiscal year. In the

budgets, the Beginning Nonlapsing balance is the balance on July 1, while the balance on the next June 30 is termed the Closing Nonlapsing balance. The Closing Nonlapsing balance from one fiscal year becomes the Beginning Nonlapsing balance of the following fiscal year. The reasoning behind nonlapsing funds is that a specific task may take an indeterminate amount of time, or span more than one fiscal year. By allowing departments to keep their unexpended funds, the state not only eliminates the rush to spend money at the end of a fiscal year, but also encourages managers to save money.

Expenditure categories used by the state are:

Personal Services	Includes employee compensation and benefits such as health insurance, retirement, and employer taxes.
Current Expenses	Includes general expenses such as utilities, subscriptions, communications, postage, professional and technical services, maintenance, laundry, office supplies, small tools, etc. that cost less than \$5,000 or are consumed in less than one year.
Data Processing Current Expense	Includes items such as small computer hardware and software, port charges, programming, training, supplies, etc.
Capital Outlay	Includes items that cost over \$5,000 and have a useful life greater than one year.
Pass Through	Includes funds passed on to other non-state entities for use by those entities, such as grants to local governments.

Other budgeting terms and concepts that the Legislature will encounter include the following:

Performance Measures	<p>In recent years, performance based budgeting has received more attention as citizens and decision-makers demand evidence of improved results from the use of tax dollars.</p> <p>Care must be exercised in crafting performance measures to avoid misdirected results. Moving to performance based budgeting is a long term commitment. The Analyst has drafted some ideas for performance measures in the write-up, however, it is recognized that the measures are a work in progress and that long-term tracking of measures would require a statewide commitment in both the executive and legislative branches.</p>
Intent Language	Intent Language may be added to an appropriation bill to explain or put conditions on the use of the funds in the line item. Intent language may restrict usage, require reporting, or impose other conditions within the item of appropriation. However, intent language cannot contradict or change statutory language.
Supplemental Appropriation	The current legislative session is determining appropriations for the following fiscal year. However, it may be determined that unexpected circumstances have arisen which require additional funding for the current year. The appropriations subcommittee can recommend to the Executive Appropriations

Committee that a supplemental appropriation be made for the current fiscal year.

FTE

An abbreviation for Full Time Equivalent, this is a method of standardizing personnel counts. A full time equivalent is equal to one employee working 40 hours per week. Four employees each working ten hours per week would also count as 1 FTE. In addition, in higher education, the term FTE is used for a Full Time Equivalent student taking 12 to 15 credit hours per semester.

Line Item

This is a term that applies to an appropriation bill. A line number in the appropriations bill identifies each appropriated sum. Generally, each line item may contain several programs. Once the appropriation becomes law, the money may be moved from program to program within the line item, but cannot be moved to another line item of appropriation.

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