

Budget Brief – DAS Executive Director’s Office

NUMBER CFGO-08-05

SUMMARY

The Executive Director’s Office (EDO) provides financial management, strategic planning, organizational development, internal auditing, and public relations for the Department of Administrative Services. While the client base for most state agencies is taxpayers, the primary customers for the Department of Administrative Services are other state agencies. The Director helps coordinate inter-agency cooperation on issues such as fleet consolidation, archival procedures and purchasing guidelines.

ISSUES AND RECOMMENDATIONS

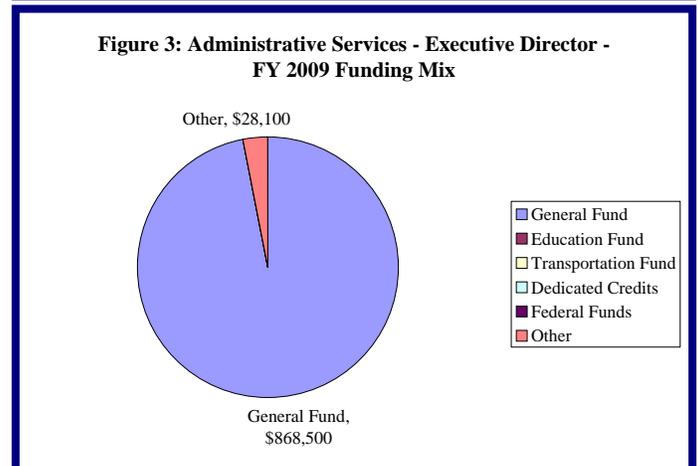
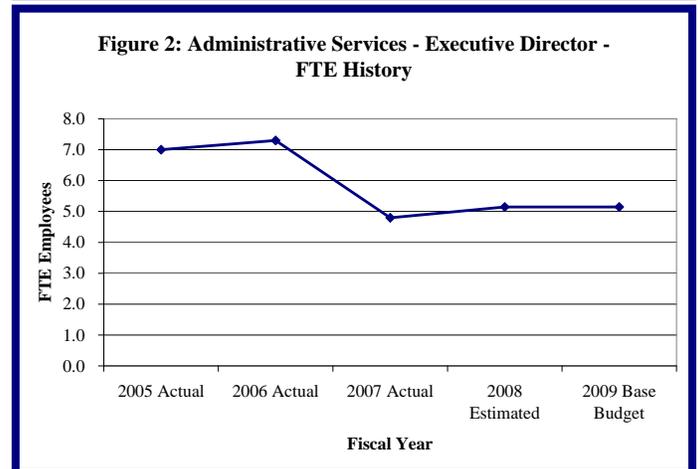
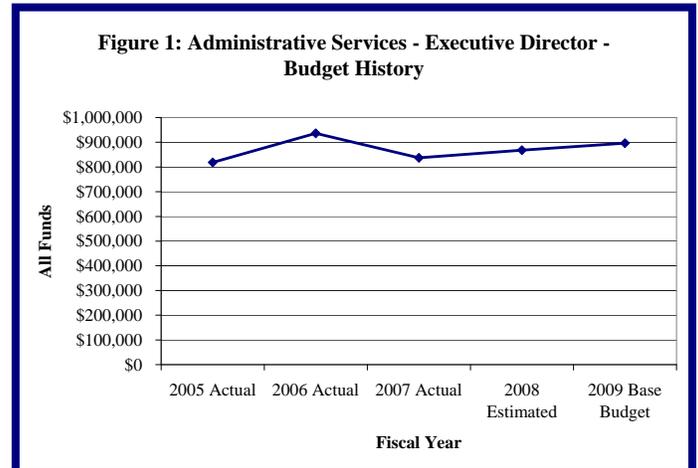
Staffing reductions and cost shifts

Two significant changes have occurred in the Executive Director’s Office. First, creation of the Department of Human Resource Management (DHRM) internal service fund resulted in a transfer of three FTE from the EDO to DHRM effective FY 2007. Second, the loss of the Division of Information Technology Services (ITS) to the new Department of Technology Services resulted in a loss of dedicated credits revenue. Approximately ten percent of the EDO budget previously came from auditing charges on internal service funds. However, with ITS (the largest internal service fund in the department) leaving, the EDO no longer oversees its operations nor collects audit fees. To make up for the loss, the Legislature allowed a portion of the savings from the transfer of the three FTE to DHRM to remain in the EDO budget. The balance of savings was returned to the General Fund.

The EDO has gradually declined in actual FTE since FY 2002, as shown below:

<u>Fiscal Year</u>	<u>Actual FTE</u>
2002	11.1
2003	8.7
2004	7.6
2005	7.0
2006	7.3
2007	4.8

Between FY 2002 and FY 2005 the office eliminated two internal auditors, one deputy director, and one secretary.

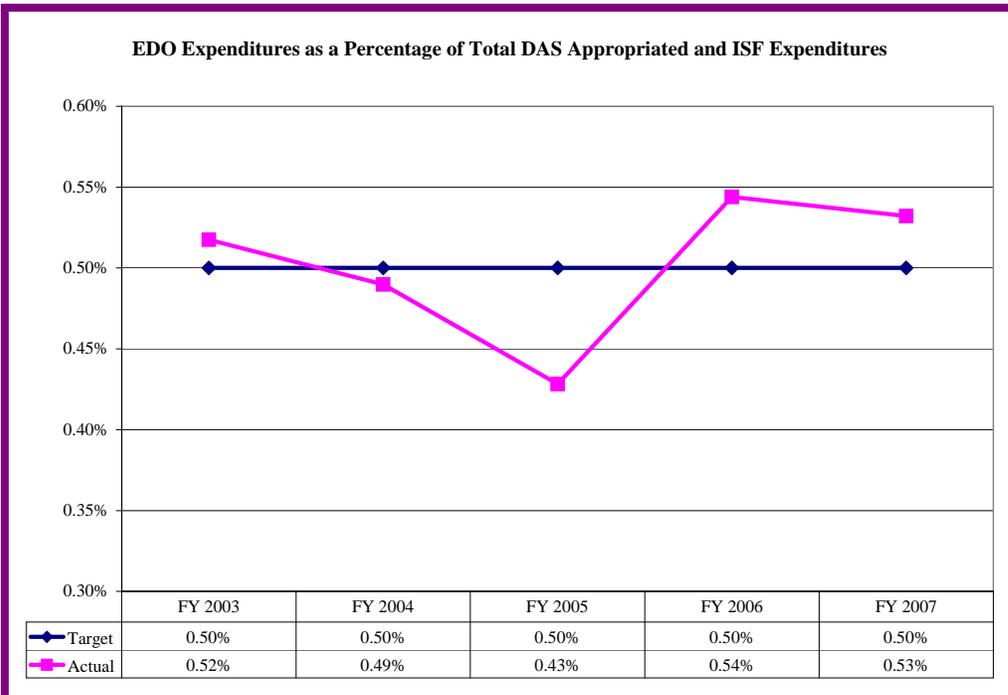
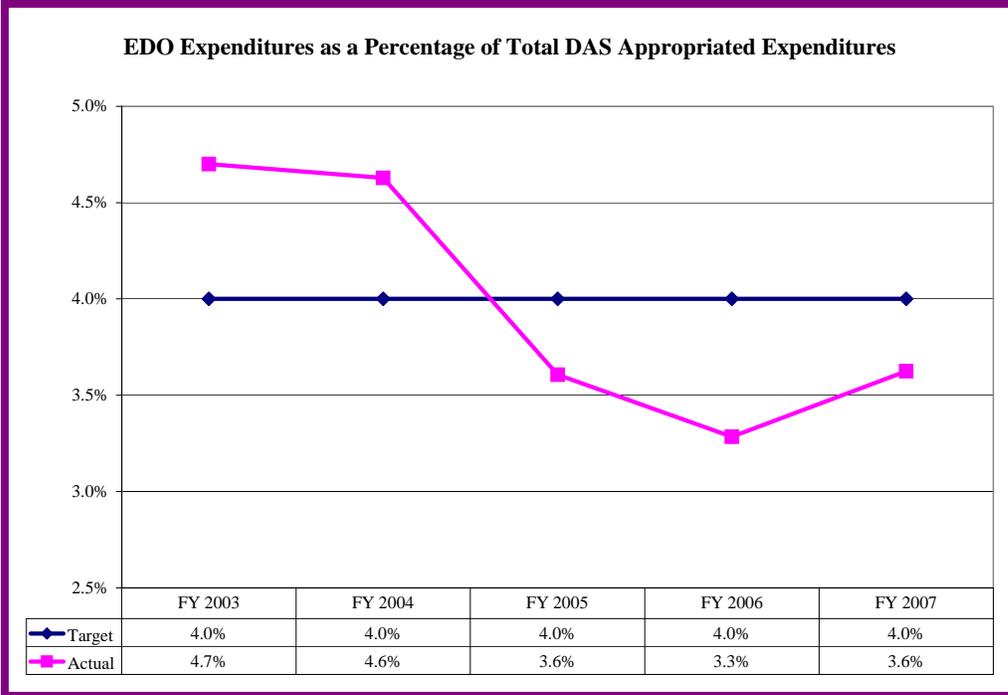


Child Welfare Parental Defense changes

During the 2005 General Session the Legislature eliminated half of the funding for the Office of Child Welfare Parental Defense (OCWPD) and opted to allow the DAS executive director to outsource the program. During the 2006 General Session the Legislature formalized the arrangement in statute (House Bill 23), allowing the executive director to act as director of the OCWPD if he/she doesn't appoint an office director. The contract with the Parental Defense Alliance of Utah is in the second year of a two-year agreement.

ACCOUNTABILITY DETAIL

The primary responsibility of the EDO is administrative oversight. Administrative overhead should be kept as low as possible so more dollars can be allocated to service-providing programs.



These measures show the EDO budget as a percentage of the DAS appropriated budgets (first chart) and total DAS budgets including ISFs (second chart). In FY 2007 the EDO had little growth in its operating budget, and therefore this program declined as a percentage of the total departmental appropriated budget. The large increase from FY 2005 to 2006 in the second chart is due mostly to the transition of the Division of Information Technology Services ISF out of DAS, thus causing overall departmental costs to decline and the EDO's percentage of costs to increase.

BUDGET DETAIL

Appropriated General Funds increased in FY 2006 as the Legislature transferred \$125,000 from the Office of Child Welfare Parental Defense to the EDO for contract oversight. Beginning in FY 2006 the EDO has opted to break out the Child Welfare Parental Defense program from the rest of the EDO budget, but both are still contained in the same line item.

Dedicated Credits revenue comes from charges to the internal service funds for the internal auditor's time.

Intent Language

The Analyst recommends the Legislature adopt the following supplemental intent language for Fiscal Year 2008:

Under terms of UCA 63-38-8.1(3), the Legislature intends not to lapse Item 35, Chapter 1, or Item 33, Chapter 371, Laws of Utah 2007. Expenditure of these funds is limited to: Current Expenses - \$50,000; Child Welfare Parental Defense Contracting - \$25,000.

Fees

In accordance with UCA 63-38-3.2, the following fees are proposed for the Department of Administrative Services in FY 2009:

	FY 2008 Current	FY 2009 Proposed	Difference	FY 2009 # Units	Revenue Change
a. Photocopy made by state employee for public, per page	0.50	0.50			
b. Certified copy of a document, per certification	2.00	2.00			
c. Fax request (long distance within US), per number	2.00	2.00			
d. Fax request (long distance outside US), per number	5.00	5.00			
e. Mail request (address within US), per address	2.00	2.00			
f. Mail request (address outside US), per address	5.00	5.00			
g. Research or service fee: as provided by 63-2-203(2)					
h. Extended research or service fee: as provided by 63-2-203(2)					
i. Photocopy made by requestor, per page	0.10	0.10			
j. Microfilm copy, per fiche	0.50	0.50			
k. Microfilm copy, per 35mm film print (silver)	20.00	20.00			
l. Microfilm copy, per 16mm film print (silver)	18.00	18.00			
m. Microfilm copy, per 16mm film print (thin)	10.00	10.00			
n. Microfilm copy, per 35mm film print (diaz)	10.00	10.00			
o. Microfilm copy, per 16mm film print (diaz)	9.00	9.00			
p. Microfilm to CD/DVD, per reel		15.00	15.00	10	150.00
q. Paper copies from microfilm, made by staff	0.50	1.00	0.50	100	100.00
r. Paper copies from microfilm, made by requestor	0.25	0.25			
s. Electronic documents, per diskette	0.60	0.60			
t. Electronic documents, per DVD	4.00	4.00			

u. Electronic documents, per CD	2.00	2.00			
v. Laser printer output, per page by staff	0.50	0.50			
w. Laser printer output, per page by requestor	0.50	0.10	-0.40	1,500	(150.00)

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. A total base appropriation of \$896,600 for the Executive Director's Office line item.
2. Intent language making the FY 2008 appropriation nonlapsing but limited to uses specified in the language.
3. GRAMA fees as shown above for the entire Department of Administrative Services.

BUDGET DETAIL TABLE

Administrative Services - Executive Director						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	816,900	868,500	0	868,500	0	868,500
General Fund, One-time	100	0	0	0	0	0
Dedicated Credits Revenue	5,900	0	0	0	0	0
Beginning Nonlapsing	86,300	52,000	9,900	61,900	100	62,000
Closing Nonlapsing	(61,900)	(46,300)	(15,700)	(62,000)	28,100	(33,900)
Lapsing Balance	(10,500)	0	0	0	0	0
Total	\$836,800	\$874,200	(\$5,800)	\$868,400	\$28,200	\$896,600
Programs						
Executive Director	721,000	748,500	(5,100)	743,400	3,200	746,600
Parental Defense	115,800	125,700	(700)	125,000	25,000	150,000
Total	\$836,800	\$874,200	(\$5,800)	\$868,400	\$28,200	\$896,600
Categories of Expenditure						
Personal Services	526,700	571,200	(2,400)	568,800	(2,200)	566,600
In-State Travel	500	500	(100)	400	0	400
Out of State Travel	3,600	3,700	200	3,900	0	3,900
Current Expense	220,300	273,400	(53,500)	219,900	20,400	240,300
DP Current Expense	76,200	25,400	50,000	75,400	10,000	85,400
Other Charges/Pass Thru	9,500	0	0	0	0	0
Total	\$836,800	\$874,200	(\$5,800)	\$868,400	\$28,200	\$896,600
Other Data						
Budgeted FTE	8.2	5.2	(0.0)	5.2	0.0	5.2
Actual FTE	4.8	0.0	0.0	0.0	0.0	0.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.