

Utah Department of Heritage and Arts
 Costs (Department of Heritage and Arts Only), HB 139

Item	Highlighted Provisions	Implementation and Challenges	FY 2012 Costs	FY 2013 Costs	FY 2014 Costs	Total Costs
HB 139:						
1	Changes the name of the Department of Community and Culture to the Department of Heritage and Arts	The Department of Heritage and Arts is in the process of rebranding and making necessary adjustments to its various Websites. Any costs will be incurred in FY 2013.	\$0	\$0	\$0	\$0
2	Clarifies statute to provide that the Department of Heritage and Arts is managed by an executive director with certain described powers	This provision was to correct an error in code and is not expected to result in any costs to the Department.	\$0	\$0	\$0	\$0
3	Clarifies the responsibilities of the director of the Department of Heritage and Arts' Division of Arts and Museums and of certain boards that are part of the division	This provision was to correct errors in the Utah Code and is not expected to result in any costs to the Department	\$0	\$0	\$0	\$0
4	Moves the division of Housing and Community Development from the Department of Community and Culture to the Department of Workforce Services	The Governor's Office of Economic Development (GOED), the Utah Science Technology and Research Initiative (USTAR), the DCC Commission of Volunteers (COV), the Utah Division of Indian Affairs (UDIA), the DCC Office of Multicultural Affairs, the DCC Division of Housing and Community Development (HCD) and DCC Administration were all located at 324 S. State Street (leased space). With the move of GOED and USTAR to the Eagle Gate and HCD to DWS, it was no longer economically viable to maintain the lease for the remaining agencies at 324 S. State. COV was moved to available space at the State Library and the remaining DCC agencies were moved to the Rio Grande, both state-owned buildings.	\$0	\$0	\$0	\$0
4a	Moving Costs (N1)	DCC paid the largest share of moving costs for COV's move to the State Library, HCD's move to DWS, State History's move to the south end of the Rio Grande, and the remaining DCC agencies move to the north end of the Rio Grande. HCD and State History also incurred moving costs. These costs included the physical move, cleanup, and surplus of electronic and office equipment. Also, as GOED took the 324 S. State phone switchboard with them to their new location, the move required purchase of new switching equipment and desk sets through DTS.	\$58,800	\$1,000	\$0	\$59,800
4b	Rio Grande (State Building) Build Out Costs	Modifications were needed to the Rio Grande building to accommodate DCC agencies moving to that site. The Division of Facilities and Construction Management (DFCM) facilitated these modifications. This was a two-step process: (1) The south end of the Rio Grande was built out and State History moved to that work space and (2) The north end of the Rio Grande was built out and DCC Administration, the Utah Division of Indian Affairs, and the Office of Multicultural Affairs were moved to that work space. Costs included engineering and architectural fees, construction costs, and DTS costs for IT equipment and wiring. The total cost of the project was \$220,100, which DCC will reimburse to DFCM in FY's 2012 and 2013.	\$120,100	\$100,000	\$0	\$220,100

4c	Rio Grande Security Upgrades	The Rio Grande Depot is open to the public from 8:00 a.m. to 5:00 p.m. and has a restaurant that occupies the complete north end of the first floor. General security and security equipment at the Rio Grande is not adequate to protect state employees and property. The DHA Executive Director is asking for DFCM to do a comprehensive review of the building's security and based on that review, upgrade the security as necessary. As the review has not been done, there is no estimate of the eventual cost. The Legislature provided one-time general funds of \$158,500 in FY 2013 to facilitate the DCC move and finance the Rio Grande build out. \$1,000 has been spent for residual moving costs, \$100,000 is earmarked to reimburse DFCM for the build out, and the remainder will be used for security upgrades and costs related to the move including rebranding the new Department. Any funding not used for these specific purposes will be lapsed at the end of FY 2013.	\$0	\$57,500	\$0	\$57,500
5	Changes the name of the Division of Housing and Community Development to the Housing and Community Development Division	Other than some rebranding and printing costs, it is not anticipated this will have a cost impact.	\$0	\$0	\$0	\$0
6	Modifies the powers and duties of the Housing and Community Development Division	This provision should have no measurable cost impact.	\$0	\$0	\$0	\$0
7	Creates an advisory council to advise the Department of Workforce Services during the transition of moving the Division of Housing and Community Development from the Department of Community and Culture.	Any additional costs would apply to DWS.	\$0	\$0	\$0	\$0
Totals			\$178,900	\$158,500	\$0	\$337,400

Savings, Direct Effects of HB 139

Item	HB 139 Fiscal Note Provision	Narrative	FY 2012	FY 2013	FY 2014 Forward
1	Ongoing General Fund Reduction to the Department of Community and Culture (Heritage and Arts) (N2)	With the move of GOED, USTAR, and all DCC agencies from the 324 S. State location and the termination of the lease, the ongoing General Fund savings anticipated in the HB 139 fiscal note have been achieved beginning in FY 2013. Note: These ongoing General Funds were cut during the 2012 General Session.	\$0	\$280,000	\$280,000
2	One-time General Funding to facilitate the provisions of HB 139, including the move of DCC agencies and the build out of the Rio Grande.	\$100,000 has already been spent for the Rio Grande build out and will be reimbursed to DFCM in FY 2013.	\$0	(\$158,500)	\$0
HB 139 General Fund Savings Specific to the Department of Heritage and Arts			\$0	\$121,500	\$280,000

Other Savings (Consolidation/Optimization and Indirect Effect of HB 139)

Item	Description	Narrative	FY 2012	FY 2013	FY 2014 Forward
1	DHA (DCC) Administration Optimization (N3)	1.13 FTE's have been eliminated for a savings of \$80,200. A transition intern has been employed in FY 2013.	\$0	\$49,000	\$80,200
2	DHA (DCC) Finance Team Optimization (N4)	1.60 FTE's have been eliminated and 1 finance position has been downgraded for a savings of \$189,700. A reduction of 7.5 FTE's to 5.9.	\$67,800	\$173,100	\$173,100
Other Savings Specific to the Department of Heritage and Arts			\$67,800	\$222,100	\$253,300

Notes

- The largest share of moving costs for State History, the Division of Housing and Community Development, and other DCC agencies were paid by the Department of Community and Culture (Heritage and Arts) from the DCC (DHA) Administration line item.
- This General Fund amount was cut from the DHA budget during the 2012 General Session. The amount does not include General Fund reductions to DWS and HCD, which were also part of the HB 139 fiscal note.
- We have a shortfall in our DHA Administration budget which may absorb some of these savings. Possible use of these funds will be discussed with our appropriations subcommittee.
- 1.0 FTE savings was effective in FY 2012, the other .6 in FY 2013.

Utah Department of Workforce Services
HB139 Savings and Cost Baseline Tracking

Updated October 4, 2012

Fiscal Note Savings

Item	Amount	General Fund	Realized	Comments
Rent	\$405,000	\$180,000	Yes	Annual savings realized with the move of HCD into the DWS Administration Building and the transfer of responsibility effective July 1, 2012. The general fund amount was reduced from the Heritage and Arts, formerly Community and Culture, appropriation for FY13 and ongoing.
Administrative FTEs	\$175,000	\$0	Yes	Reduction of 2.5 positions from the HCD administrative/finance staff. Positions were vacant at the time of HB139 passing, have not been filled and will not be filled.
Web Grants in DWS	\$210,000	\$50,000	No	Based on DWS streaming it's contract and grant process with the implementation of Web Grants resulting in the saving of an estimated 3 FTEs. The implementation of Web Grants is schedule to be completed prior to the end of 2012, at which time the estimated savings will be identified and enacted. The target to realize these savings is July 1, 2013.

**Utah Department of Workforce Services
HB139 Savings and Cost Baseline Tracking**

Updated October 4, 2012

Housing and Community Development Operating Budgets

Program	FY12 Budget	FY13 Budget	Difference	Comments
Executive Administration	\$721,000	\$628,300	(\$92,700)	A portion of the administrative budget was transferred to DWS Administrative Support.
Accounting Administration	\$238,100	\$0	(\$238,100)	Full amount transferred to DWS Administrative Support.
System Development	\$139,900	\$139,900	\$0	
Community Impact Board	\$634,500	\$586,100	(\$48,400)	A portion of the administrative budget was transferred to DWS Administrative Support.
Community Development Block Grant/Neighborhood Stabilization Program	\$431,000	\$398,200	(\$32,800)	A portion of the administrative budget was transferred to DWS Administrative Support.
State Small Business Credit Initiative	\$160,300	\$210,400	\$50,100	Program did not operate for a full year in FY12
Uintah Basin Revitalization Fund/Navajo Revitalization Fund	\$164,500	\$144,900	(\$19,600)	A portion of the administrative budget was transferred to DWS Administrative Support.
Housing	\$1,154,800	\$1,105,800	(\$49,000)	A portion of the administrative budget was transferred to DWS Administrative Support.
Weatherization	\$1,622,100	\$896,400	(\$725,700)	A portion of the administrative budget was transferred to DWS Administrative Support. ARRA will conclude in 1st quarter of FY 13.
SEAL (State Low-Income	\$710,700	\$598,200	(\$112,500)	A portion of the administrative budget was

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Energy Assistance Program, HELP, UTAP)				transferred to DWS Administrative Support. Program is expected to be cut at the federal level. Vacancy savings through attrition.
Community Services Block Grant	\$195,900	\$390,000	\$194,100	A portion of the administrative budget was transferred to DWS Administrative Support. A larger portion of federal discretionary money is being used for in-house work previously sub-contracted.
Earned Income Tax Credit	\$5,300	\$7,500	\$2,200	General Fund appropriation increased.
Emergency Food Programs	\$54,800	\$48,800	(\$6,000)	FEMA Program winding down.
Homeless Programs/Homeless Reporting	\$751,100	\$790,200	\$39,100	A portion of the administrative budget was transferred to DWS Administrative Support. Additional state and federal funds were appropriated in FY 13.
Temporary Assistance for Needy Families	\$140,000	\$140,000	\$0	
Special Housing	\$4,500	\$3,900	(\$600)	
Total HCD	\$7,128,500	\$6,088,600	(\$1,039,900)	
DWS Administrative Support	\$5,036,596	\$5,552,375	\$515,779	Included to reflect where some of the HCD reductions were transferred to. Increase based on the addition of HCD Finance staff and the move of the Business Office from ESD to Admin Support.

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Housing and Community Development Administrative Costs

Program	FY12 Costs	FY13 Costs	Difference	Comments
Executive Administration	\$564,905.19			
Accounting Administration	\$193,594.83			
System Development	\$101,871.75			
Community Impact Board	\$604,867.67			
Community Development Block Grant/Neighborhood Stabilization Program	\$389,550.53			
State Small Business Credit Initiative	\$97,043.13			
Uintah Basin Revitalization Fund/Navajo Revitalization Fund	\$105,271.31			
Housing	\$978,509.69			
Weatherization	\$809,655.20			
SEAL (State Low-Income Energy Assistance Program, HELP, UTAP)	\$566,266.16			
Community Services Block Grant	\$201,394.47			
Earned Income Tax Credit Program	\$4,647.21			

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Emergency Food Programs	\$24,183.43
Homeless Programs/Homeless Reporting	\$687,350.15
Temporary Assistance for Needy Families	\$67,102.91
Special Housing	\$1,699.16
Total HCD	\$5,397,912.79
