

## In-depth Budget Review Recommendations

Ref #	Other State Funds (Individual Report Pages Available in 2013 In-depth Budget Review for Most of the Funds Listed Below <a href="http://le.utah.gov/interim/2013/pdf/00004070.pdf">http://le.utah.gov/interim/2013/pdf/00004070.pdf</a> )	Health	Human Svcs	Workforce Svcs	USOR
1	<b>Fund 1055 Methamphetamine Housing Reconstruction and Rehabilitation Fund</b> - This fund has not met the criteria required for most tax check off accounts of at least \$30,000 per year for three consecutive years as specified in UCA 59-10-1304. The Fiscal Analyst recommends closing the account and dispersing the funds. (requires a bill)				
2	<b>Fund 1222 Medicaid Restricted Account</b> - The account has been used as a reserve fund with very flexible uses. The fund annually receives all unspent General Fund from the Medicaid program. The Legislature may want to identify this and similar reserve funds in one location so as to know about all available reserve fund balances. If the Legislature wanted to make the account's use tighter for specific purposes, it may want to tighten up the statutory restrictions on the account's usage in UCA 26-18-402. (requires a bill)				
3	<b>Fund 1228 Prostate Cancer Special Group License Plate Restricted Account</b> - The account's primary revenue is specialty license plates. From October 2011 through June 2014, it has issued eleven plates. The standard criteria is a 500 plate minimum in UCA 41-1a-418 that applies to plates that began after January 2012. The Fiscal Analyst recommends closing the fund and repealing UCA 26-21a-303 that creates the fund. (requires a bill)				
4	<b>Fund 2185 State Development Center Miscellaneous Donation Fund</b> - The Analyst recommends more specific expenditure guidelines be established in statute other than "for the benefit of the Utah State Developmental Center and its clients." The Analyst recommends amending UCA 62A-5-206.5(5)(b) to read "for the benefit of clients of the Utah State Developmental Center. Money and interest in the fund shall not be used for items normally paid by operating revenues or for items related to personnel costs without specific Legislative authorization." (requires a bill)				
5	<b>Fund 2200 State Hospital Unit Fund</b> - The Analyst also recommends UCA 62A-15-604 be amended to define for the "benefit of patients" more specifically. "Those gifts, grants, devises, donations, and the proceeds thereof shall be used by the superintendent or his designee for the use and benefit of patients at the state hospital. Those gifts, grants, devises, donations, and the proceeds thereof shall not be used for items normally paid for by operating revenues or for items related to personnel costs without specific Legislative authorization." (requires a bill)				
6	<b>Fund 2260 Child Care Fund</b> - The Department of Workforce Services should consider spending the money from this fund again. Prior to the fall of 2014 there had been no efforts to find possible expenditures since FY 2005. As this fund is primarily from donations, there is an obligation to use the fund if there is an appropriate expenditure. The Department of Workforce Services will present a proposal on November 12, 2014 to its advisory committee to use the funds for public awareness to improve child care quality and accessibility.				
7	<b>Fund 5450 Housing Opportunities for People With AIDS Loans</b> - Once the agency addresses the \$8,000 loan receivable balance, then the fund should be closed as the agency does not intend to use this fund for additional loans. The Division of Finance is in agreement with this approach. The Department of Workforce Services does not object.				

## Fund 1222 Medicaid Restricted Account

Agency(s): Health

Analyst: Russell Frandsen

### Purpose and Uses

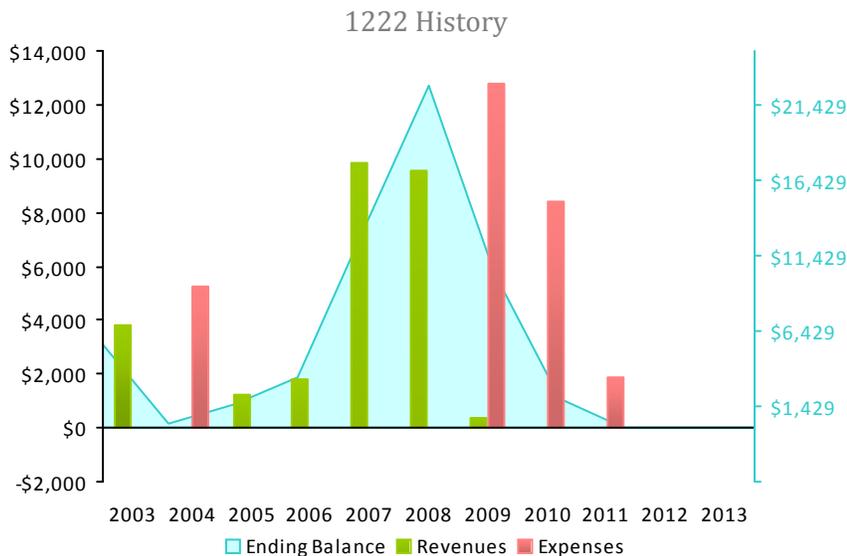
UCA 26-18-402 says that the Legislature may appropriate the money to fund programs that expand medical assistance coverage and private health insurance plans to low income persons who have not traditionally been served by Medicaid, including the Utah Children's Health Insurance Program.

### Accountability

The restrictions in UCA 26-18-402 on the usage of the account are passive and are not binding with the use of "may." Statute directs that the account receive all unspent General Fund in the Medicaid program at the end of each fiscal year as well as certain penalties. As a General Fund Restricted Account, funds must be appropriated by the Legislature prior to expenditure. There are no account-specific reporting requirements.

### Recommendation

The account has been used as a reserve fund with very flexible uses. The Legislature may want to identify this and similar reserve funds in one location so as to know about all available reserve fund balances. If the Legislature wanted to make the account's use tighter for specific purposes, it may want to tighten up the statutory restrictions on the account's usage in UCA 26-18-402.



\*Revenues and Expenses include Net Transfers; Dollar figures in thousands

### Graph Notes

In the last three years, the account has received no money besides interest earned due to laws making all General Fund in Medicaid nonlapsing. Starting in FY 2014, the account will again receive unspent General Fund from the Medicaid program. In FY 2011, the expenditure is from an appropriation by the Legislature. The \$3,500 FY 2011 negative revenue is from backing out an equivalent positive fair market adjustment from FY 2010. The account balance is in investments. The account has never received any money from penalties.

## Fund 2185 State Development Center Miscellaneous Donation Fund

Agency(s): Human Services

Analyst: Stephen Jardine

### Purpose and Uses

This fund is for donations made to the Utah State Development Center to be used at the Center. UCA 62A-5-206(2) authorizes Human Services to "receive, take, and hold property . . . for the use and benefit of the developmental center." This fund was altered in the 2013 General Session by S.B. 17, Account for People with Disabilities Amendments. A new expendable special revenue fund was established to be known as the "Utah State Developmental Center Miscellaneous Donation Fund." This new fund began in FY 2014.

### Accountability

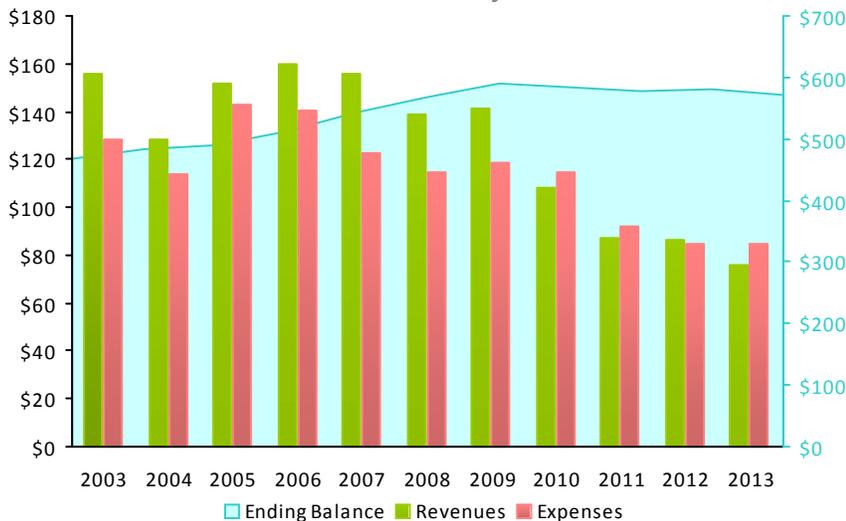
As stated by the Department of Human Services, "Unrestricted funds" are used for items, services, or programs that have a general "benefit to the individuals receiving services at Utah State Developmental Center. All funds spent from this account must be approved by the Utah State Developmental Center's Steering Team (executive management)." The stoplight is yellow because the Analyst finds the expenditure guidelines are too broad and could be used to justify almost any expenditure.



### Recommendation

The Analyst recommends more specific expenditure guidelines be established in statute other than "for the benefit of the Utah State Developmental Center and its clients." [REDACTED]

2185 History



### Graph Notes

The balance is mostly made up of investments. There is also a small amount of cash. The largest amounts of money flowing into the account are from donations made specifically to the Utah State Developmental Center. A small amount of revenue also comes from interest earned on the account. Expenses are for items or events specifically for and at the Utah State Developmental Center.

[REDACTED] = already implemented

\*Revenues and Expenses include Net Transfers; Dollar figures in thousands

## Fund 2200 State Hospital Unit Fund

Agency(s): Human Services

Analyst: Stephen Jardine

### Purpose and Uses

This fund holds donations, gifts, and grants used for the benefit of patients at the Utah State Hospital.

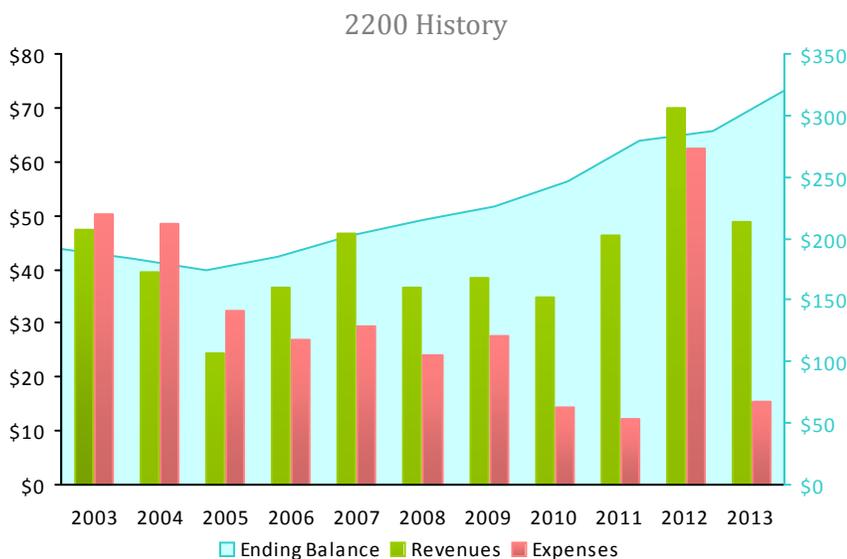
### Accountability

UCA 62A-15-604 authorizes the hospital to receive gifts, grants, and donations and use them for the "benefit of patients." The Department of Human Services states, "In April 2012, State Auditors found that no formally established controls existed over receipts and disbursements of the Forgotten Patient Christmas Program (part of this fund). The Hospital has since adopted and implemented controls over the program." The only formal reporting requirement is to annually report back to a trust fund which contributes to this fund. The stoplight is yellow because the Analyst finds the expenditure guidelines are too broad and could be used to justify almost any expenditure.



### Recommendation

**[REDACTED]** The Analyst also recommends UCA 62A-15-604 be amended to define for the "benefit of patients" more specifically.



\*Revenues and Expenses include Net Transfers; Dollar figures in thousands

### Graph Notes

The balance of the fund is currently made up of investments (54%) and cash (46%). Revenues include payments from universities to train interns, rental and picture-taking fees, and donations. Expenses include patient Christmas presents, medical staff training, and patient recreation. Expenditures declined in FY 2010 and FY 2011 due to the elimination of expensive off-campus recreational activities. Expenditures increased in FY 2012 due to a one-time purchase for a patient safety motion detector.

**[REDACTED]** = already implemented

## Fund 2260 Child Care Fund

Agency(s): Workforce Services

Analyst: Russell Frandsen

### Purpose and Uses

The fund's purpose is to support child care initiatives to improve quality, affordability, and accessibility. The money in the fund primarily comes from donations.

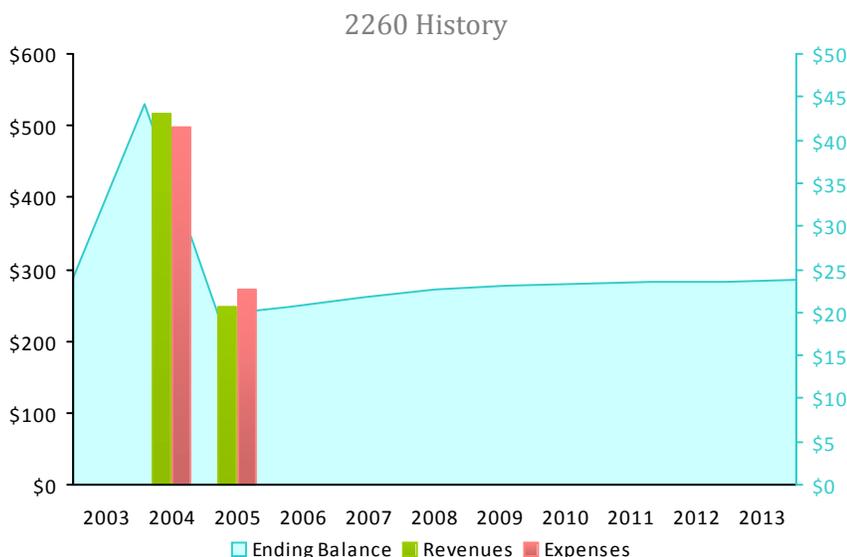
### Accountability

UCA 35A-3-206 directs that the money may only be given to local governments, nonprofit organizations, or child care providers. The money may be used for training, grants, and recruitment for child care staff. Additionally the money may be used for activities that will assist in the improvement of child care quality and accessibility such as public awareness campaigns and matching money for obtaining grants. UCA 35A-3-206 directs that the Department of Workforce Services report annually on the status of this fund to the Legislature. This has not happened in 2011 nor 2012. The only fund activity was interest earned (\$100 in FY 2011 and \$200 in FY 2012).



### Recommendation

**[REDACTED]** The Department of Workforce Services should consider spending the money from this fund again. There have been no efforts to find possible expenditures since FY 2005. As this fund is primarily from donations, there is an obligation to use the fund if there is an appropriate expenditure.



\*Revenues and Expenses include Net Transfers; Dollar figures in thousands

### Graph Notes

The only recent revenues in the last three years have come from interest earned (less than \$200 annually). The Department of Workforce Services has not put efforts into additional fundraising. There have not been any expenditures since FY 2004. The fund balance consists of investments.

**[REDACTED]** = already implemented

## Fund 5450 Housing Opportunities for People With AIDS Loans

Agency(s): Workforce Services (Community and Culture prior to FY 2012)

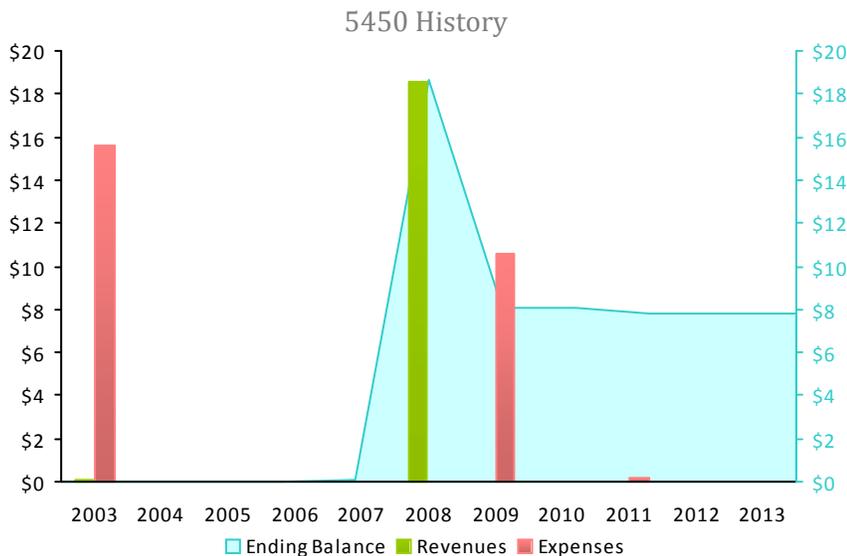
Analyst: Russell Frandsen

### Purpose and Uses

The fund makes loans and grants available to provide housing opportunities for people with AIDS.

### Recommendation

Once the agency addresses the \$8,000 loan receivable balance, then the fund should be closed as the agency does not intend to use this fund for additional loans. The Division of Finance is in agreement with this approach. The Department of Workforce Services does not object.



### Graph Notes

The fund balance is cash. The expense in FY 2011 was for a grant.

\*Revenues and Expenses include Net Transfers; Dollar figures in thousands