

# Budget Brief – DAS Executive Director’s Office

NUMBER CFGO-07-05

## 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

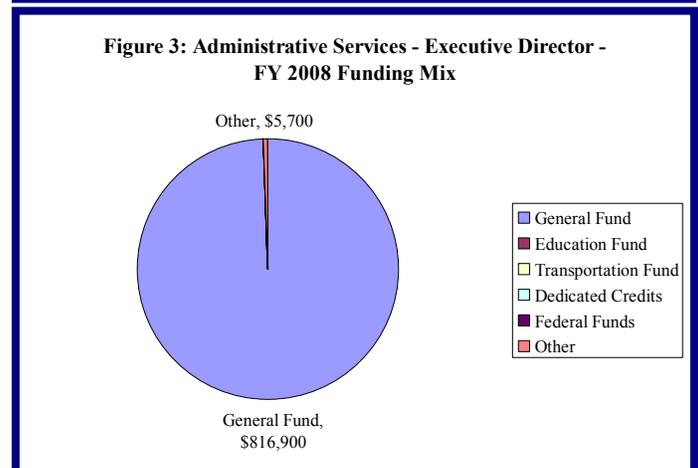
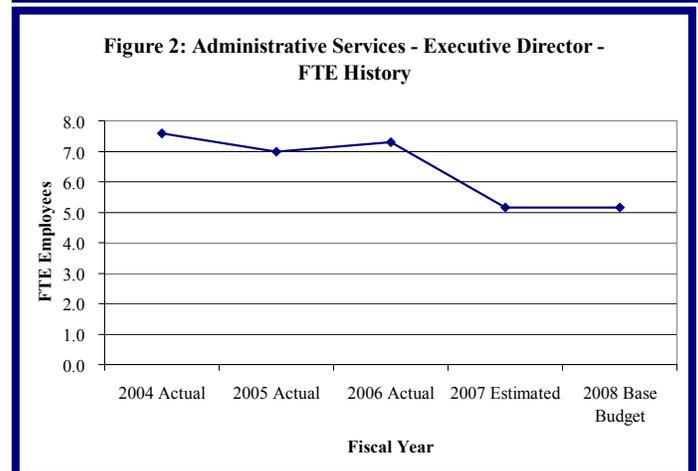
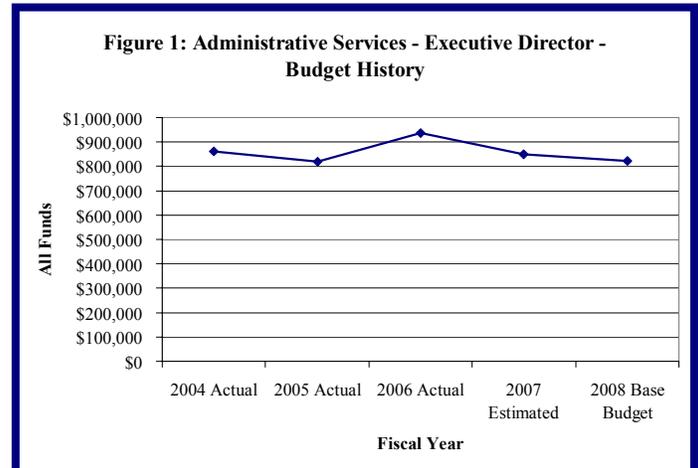
### *Staffing reductions and cost shifts*

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 Budget	5.2

Between FY 2002 and FY 2005 the office eliminated two internal auditors, one deputy director, and one secretary. The Analyst recommends funding this program’s base budget without any additional building blocks.

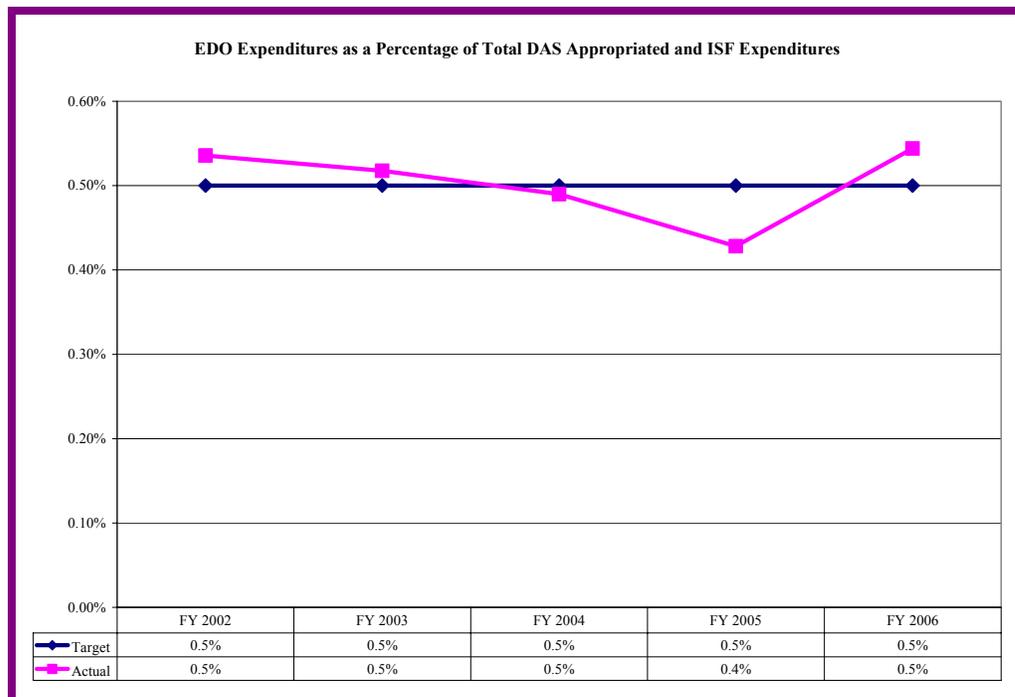
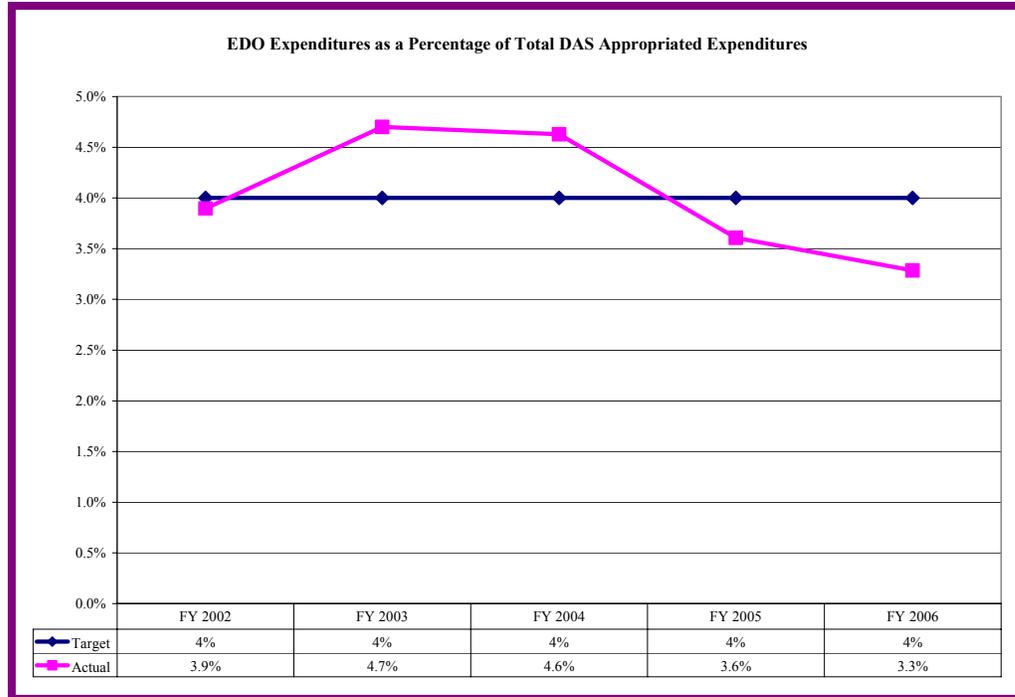


**Child Welfare Parental Defense changes**

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 2006 the EDO had little growth in its operating budget, and therefore this program declined as a percentage of the total departmental appropriated budget, as shown in the first chart. In the second chart, the increase 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**

FY 2006 appropriated General Funds increased primarily due to the Legislature transferring \$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.

### ***Budget Recommendation for FY 2008***

The Analyst recommends a total FY 2008 base appropriation of \$822,600, with \$816,900 from the General Fund and the balance from carry-forward funds.

### ***Intent Language***

The Analyst recommends the Legislature adopt the following supplemental intent language for Fiscal Year 2007:

*Under terms of UCA 63-38-8.1(3), the Legislature intends not to lapse Item 33, Chapter 1, or Item 35, Chapter 366, Laws of Utah 2006. 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 2008:

	<b>FY 2007 Current</b>	<b>FY 2008 Proposed</b>	<b>Difference</b>	<b>FY 2008 # Units</b>	<b>Revenue Change</b>
a. Photocopy made by state employee for public, per page	0.25	0.50	0.25	400	100.00
b. Certified copy of a document, per certification	2.00	2.00			
c. Fax request (long distance within US), per number	1.50	2.00	0.50	10	5.00
d. Fax request (long distance outside US), per number	3.00	5.00	2.00	5	10.00
e. Mail request (address within US), per address	1.50	2.00	0.50	20	10.00
f. Mail request (address outside US), per address	3.00	5.00	2.00	10	20.00
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	.10	.10			
j. Microfilm copy, per fiche	0.50	0.50			
k. Microfilm copy, per 35mm film print (silver)	25.00	20.00	(5.00)	20	(100.00)
l. Microfilm copy, per 16mm film print (silver)	20.00	18.00	(2.00)	50	(100.00)
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. Paper copies from microfilm, made by staff	0.50	0.50			
q. Paper copies from microfilm, made by requestor	0.25	0.25			

r. Electronic documents, per diskette	0.60	0.60			
s. Electronic documents, per DVD	4.00	4.00			
t. Electronic documents, per CD	2.00	2.00			
u. Laser printer output, per page	0.10	0.50	0.40	200	80.00

**LEGISLATIVE ACTION**

The Analyst recommends the Legislature adopt:

1. A total base appropriation of \$822,600 for the Executive Director's Office line item.
2. Intent language making the FY 2007 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						
	FY 2006	FY 2007		FY 2007		FY 2008*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	931,200	816,900	0	816,900	0	816,900
General Fund, One-time	0	(2,300)	0	(2,300)	2,300	0
Dedicated Credits Revenue	91,800	4,900	(4,900)	0	0	0
Beginning Nonlapsing	0	0	86,300	86,300	(34,300)	52,000
Closing Nonlapsing	(86,300)	0	(52,000)	(52,000)	5,700	(46,300)
<b>Total</b>	<b>\$936,700</b>	<b>\$819,500</b>	<b>\$29,400</b>	<b>\$848,900</b>	<b>(\$26,300)</b>	<b>\$822,600</b>
<b>Programs</b>						
Executive Director	838,000	819,500	(99,800)	719,700	(22,800)	696,900
Parental Defense	98,700	0	129,200	129,200	(3,500)	125,700
<b>Total</b>	<b>\$936,700</b>	<b>\$819,500</b>	<b>\$29,400</b>	<b>\$848,900</b>	<b>(\$26,300)</b>	<b>\$822,600</b>
<b>Categories of Expenditure</b>						
Personal Services	673,200	783,400	(242,700)	540,700	700	541,400
In-State Travel	300	500	0	500	0	500
Out of State Travel	2,800	0	3,700	3,700	0	3,700
Current Expense	224,900	10,000	240,000	250,000	1,600	251,600
DP Current Expense	17,600	25,600	23,300	48,900	(23,500)	25,400
Other Charges/Pass Thru	17,900	0	5,100	5,100	(5,100)	0
<b>Total</b>	<b>\$936,700</b>	<b>\$819,500</b>	<b>\$29,400</b>	<b>\$848,900</b>	<b>(\$26,300)</b>	<b>\$822,600</b>
<b>Other Data</b>						
Budgeted FTE	8.0	8.2	(3.0)	5.2	0.0	5.2
Actual FTE	7.3	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.