

Office of the
Legislative Fiscal Analyst

FY 2002 Supplemental Budget Recommendations

Joint Appropriations Subcommittee for
Capital Facilities and Administrative Services

Supplemental Funding Items

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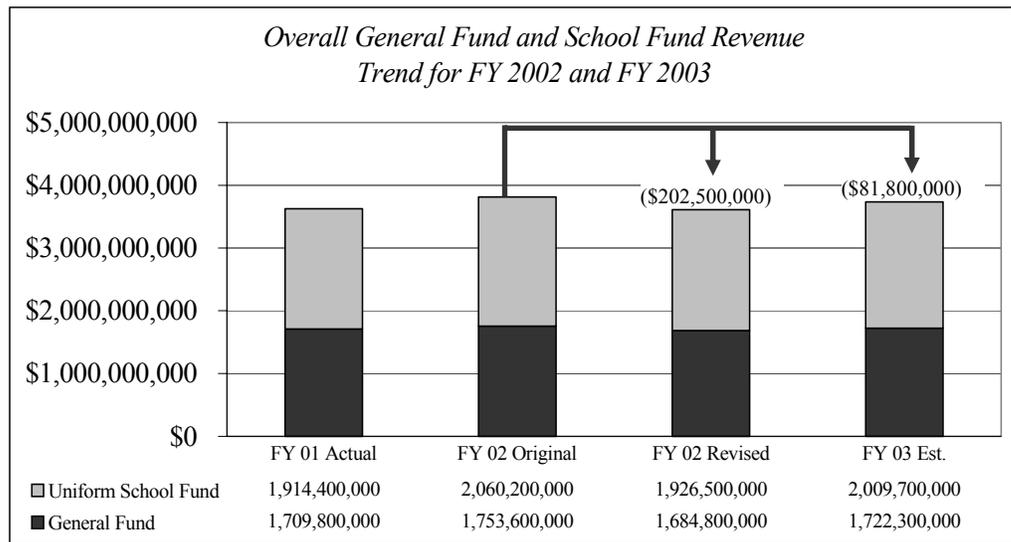
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1.0 Summary: Capital Facilities and Administrative Services Subcommittee Supplemental

Supplemental funding is for needs arising in the current fiscal year that were not anticipated during the previous Legislative session. Usually this is for additional, one-time funding for an unexpected expense. The State’s current economic situation makes this year’s supplemental recommendation different in that budget reductions will need to be implemented to balance FY 2002 revenues against expenditures. As the table below shows, revenues will be some \$202.5 million less in FY 2002 than was anticipated during the 2001 Legislative Session.

Revenue Estimates <i>In millions</i>	A FY 01	B FY 02 Estimate	C FY 02 Revised	D 02 Shortfall (C - B)	E FY 03 LFA	F 02 Less 03 (E - B)
General Fund	1709.8	1753.6	1684.8	(68.8)	1722.3	(31.3)
Uniform School Fund	1914.4	2060.2	1926.5	(133.7)	2009.7	(50.5)
Total	3624.2	3813.8	3611.3	(202.5)	3732.0	(81.8)
Percent Increase (Decrease)				-0.36%	3.34%	

Estimates for FY 2003 will be \$81.8 million less than original FY 2002 estimates. Even with lower than anticipated revenue, tax funds collected by the state will be stable over a three year period.



The Governor anticipated a shortfall early in the fiscal year and requested that agencies “holdback” expenditures at approximately the 2.5 percent level. Initial Holdbacks for budgets considered by the Capital Facilities and Administrative Services Appropriation subcommittees totaled \$2,337,900. At that point reductions in the Capital Budget were restricted to funds from FY 2001 intended to build or purchase facilities on four higher education campuses.

Following initial holdbacks revenue projections showed an even greater deficit and the Governor requested additional reductions from agencies and suggested using the State's Rainy Day Fund to supplement the difference. The Analyst continues to consider current balances in the Rainy Day Fund as an inadequate safety net and believes that the current shortfall should be covered without tapping one-time reserves.

For FY 2002, the Analyst recommends reducing the current General Fund appropriation for the Department of Administrative Services, Capitol Preservation Board and Capital Budget by the original \$2,337,900 plus an additional \$24,604,900 for a total reduction of \$26,942,800.

Virtually all of the budgets are impacted to some degree in these proposed reductions. The Analyst has identified specific programs or functions that could be downsized or eliminated. In addition, several across-the-board reductions have been identified. The Analyst included cuts equivalent to 10% of General Fund in the following expense categories:

- Conventions / Workshops;
- Data Processing;
- Entertainment / Receptions;
- Office supplies / Equipment; and,
- Travel.

Reductions in FY 2002 were limited to eight months of the year to allow for expenditures made prior to the Legislative session.

Recommended Revised Budget for FY 2002

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	133,509,400		133,509,400
General Fund, One-time	2,153,500	(8,314,300)	(6,160,800)
Uniform School Fund	25,234,600		25,234,600
Income Tax	24,298,000		24,298,000
Income Tax, One-time	10,000,000	(18,628,500)	(8,628,500)
Transportation Fund	519,100		519,100
Centennial Highway Fund	82,657,500		82,657,500
Dedicated Credits Revenue	31,476,400	(500)	31,475,900
Premiums	23,441,200		23,441,200
Licenses/Fees	145,000		145,000
Interest Income	615,800		615,800
Dedicated Credits - Intragvt Rev	127,642,100	(1,600,000)	126,042,100
Dedicated Credits - GO Bonds		18,628,500	18,628,500
Restricted Revenue	8,983,900		8,983,900
GFR - ISF Overhead	1,483,300	(300)	1,483,000
Transfers	69,500	100,100	169,600
Other Financing Sources	9,200		9,200
Beginning Nonlapsing	14,722,100		14,722,100
Closing Nonlapsing	(5,861,100)		(5,861,100)
Lapsing Balance	(416,000)	416,000	
Total	\$480,683,500	(\$9,399,000)	\$471,284,500
Programs			
Capitol Preservation Board	2,806,900	(53,400)	2,753,500
Administrative Services	29,998,400	(956,700)	29,041,700
Intragovernmental Services	162,122,900	(1,899,900)	160,223,000
Capital Budget	99,398,400	(6,489,000)	92,909,400
Debt Service	186,356,900		186,356,900
Total	\$480,683,500	(\$9,399,000)	\$471,284,500
FTE/Other			
Total FTE	729	(7)	722
Authorized Capital Outlay	18,986,600		18,986,600
Retained Earnings	28,543,400	(299,900)	28,243,500

2.0 Issues: Capital Facilities and Administrative Services Subcommittee Supplemental

The following summarizes the total recommended reductions, by category. In subsequent sections, the reductions will be detailed in each applicable line item. To the greatest extent possible, recommended cuts focus on recent program expansions, expected vacancies and non-personnel issues. Of the seven FTE positions affected by this recommendation, four are vacant. The Analyst recommends cutting the budgeted amount for the other three without regard to a specific position, allowing Divisions to exercise discretion in meeting their reduced budget.

Reductions in the Capital Budget

To make up for revenue shortfalls in FY 2001 the Governor held back \$51.5 million in capital projects. In order for these projects to move forward, the Legislature must re-authorize those projects and provide funding for them. In addition to the FY 2001 projects, the Analyst recommends cutting funding for four additional projects, including one partially cut in FY 2001 that will provide an additional one-time source of funds totaling \$25 million. The Analyst recommendation includes a provision to provide bond authorizations to offset cuts to escrow accounts. If approved, the two year reduction to the capital budget will be \$58.056 million.

Capital Budget Actions				
	FY 2001	FY 2002	Bond Replace	Project Total
Briderland ATC Campus Purchase	(\$652,000)	(\$2,089,000)		(\$2,741,000)
Weber State U. Davis Campus	(23,113,600)			(23,113,600)
Snow College Performing Arts	(15,100,000)			(15,100,000)
Dixie State College Fine Arts	(13,000,000)			(13,000,000)
University of Utah Engineering	(2,315,000)	(12,685,000)	\$12,685,000	(2,315,000)
Package Savings Add-Back	2,613,600			2,613,600
USU Engineering		(5,943,500)	5,943,500	
Capital Improvements		(4,400,000)		(4,400,000)
Total	(\$51,567,000)	(\$25,117,500)	\$18,628,500	(\$58,056,000)

2.1 Internal Service Fund Rate Changes

As a result of rate changes for services provided by the Department of Administrative Services, the Analyst recommends a one-time supplemental budget reduction of \$5,900, including \$5,100 in General Fund. The specific line item funding varies between programs within the Department.

General Fund	(\$5,100)
Dedicated Credits	(\$500)
General Fund – Restricted	(\$300)

2.2 Original Governor’s Holdbacks

In the first series of holdbacks, the Governor identified \$248,900 in General Fund reductions. Of this amount, \$53,400 came from the Capitol Preservation Board and the remaining amount came from the Department of Administrative Services. The Governor also cancelled purchase of the Bridgerland ATC facility in Brigham City, returning more than \$2 million to the state budget. The Analyst supports these reductions.

General Fund (operating).....	(\$248,900)
General Fund, One-time (capital).....	(\$2,089,000)

2.3 Across-the-Board Reductions

The Analyst has included a reduction of \$61,800 from General Fund as “across the board” cuts in the following expense categories:

- Conventions / Workshops;
- Data Processing;
- Entertainment / Receptions;
- Office supplies / Equipment; and,
- Travel.

General Fund	(\$61,800)
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2.4 One-Day Furlough

A one-day furlough at the Department of Administrative Services and the Capitol Preservation Board will prevent layoffs by providing additional funds for agency needs. For the appropriated portion of DAS, the savings will be \$34,900 in General Funds. The Analyst also recommends that the one day furlough should be applied to Internal Service Fund agencies, with the savings providing a rebate back the General Fund.

General Fund	(\$34,900)
General Fund (Through/Ded. Credits Transfer) .	(\$100,100)

2.5 Fleet Operations Rebate

The Division of Fleet Operations maintains a shuttle service that loops between Capitol Hill, the Cannon Health Building and the Heber Wells Building. Funding for the shuttle comes from rates charged to motor pool customers statewide. The Analyst believes that this is an inappropriate funding source and recommends that DFO rebate the FY 2002 receipts to the General Fund. DFO should find alternative means to fund the shuttle service or cancel it.

General Fund Revenue \$150,000
Dedicated Credits Intergovernmental Revenue ... (\$150,000)

The Analyst recommends approval of the following intent language in order to ensure proper transfer of funds:

It is the intent of the Legislature that the Division of Fleet Operations adjust its operations in a manner sufficient to generate \$150,000 in cost savings in FY 2002. The Legislature further intends that the Division rebate such savings to the General Fund in FY 2002.

2.6 Program Eliminations/Reductions

Last year the Legislature increased the formula for funding Capital Improvements (also called AR&I for Alterations, Repair and Improvements). In a compromise with the Governor, the Legislature added \$4.4 million to the FY 2002 Capital Improvement budget to offset increased funding scheduled for FY 2003. With a significant revenue shortfall, it seems prudent to reduce the Capital Improvement fund to the statutory minimum of \$39,594,000 – a total that still represents the state’s largest outlay ever for deferred maintenance projects.

General Fund, One-time (\$4,400,000)

2.7 FTE Position Eliminations

The Analyst has identified several programs which have funded vacancies, or where positions may be considered less essential to the Department’s operations. These reductions affect several programs and include the equivalent of seven positions. However, the Analyst encourages agencies to make use of turnover savings or make other adjustments that would prevent layoffs.

General Fund (\$318,400)

2.8 Revenue Enhancements

In an attempt to alleviate some of the General Fund revenue shortfall, the Analyst has identified a one-time source of funding in the Capital Budget. As part of the Engineering Initiative last year, the Legislature approved escrow accounts for the University of Utah and Utah State University. The escrow funds were set aside until each institution could raise promised matching funds to complete new engineering buildings. Given that funds will not be raised on these projects for at least two more years, the Analyst recommends using the cash to balance the FY 2002 budget. To allow the universities to continue to show potential donors a significant state commitment, the Analyst recommends replacing the cash with bonding authority that requires a cash match. Once funds are raised, the Legislature can choose to issue bonds or to fund the state’s portion of the project with cash in FY 2005 or 2006.

Income Tax..... (\$18,628,500)
Dedicated Credits – GO Bond..... \$18,628,500

Part of the escrow account was appropriated as Income Tax in FY 2001, so the Analyst recommends the following intent language to make technical adjustments.

It is the intent of the legislature that \$5,943,000 of beginning balances set aside for the USU Engineering building shall be transferred to other capital developments approved in the FY 2002 appropriations act.

2.9 Elimination of Recent Enhancements

Last year the Governor’s Mansion received a budget increase to bolster security and the Department of Administrative Services added a full time person to monitor the secured entry on the second floor of the State Office Building. The Analyst believes that recent program enhancements should give way to other expenditures that are central to the mission of DAS. Furthermore, the Analyst believes that the second floor entrance to the State Office Building can be secured without stationing a full time monitor next to the door.

General Fund..... (\$50,000)

2.10 Remaining 800 MHz Funds

Of the more than \$3.5 million appropriated for conversion to 800 MHz Public Safety radio, \$101,300 remains unallocated by the CIO. The Analyst recommends lapsing this amount to the General Fund.

General Fund..... (\$91,400)
General Fund One-Time..... (\$9,900)

2.11 IT Innovation Program

The Utah Technology Infrastructure Innovation Program was designed to inspire investments in innovative technology that would in turn lead to time and money saving advances in state processes. However, only one agency responded to the FY 2002 call for proposals. There is more than \$400,000 in the fund that has yet to be encumbered and will not be used as planned. The Analyst recommends redirecting these funds to other state purposes.

General Fund, One-Time (\$416,000)

2.12 Finance Technology

Over the last several years, the Legislature authorized the Division of Finance to use carry-forward balances to fund technology initiatives. These initiatives have been very successful in creating new systems that increase productivity without needing new employees. With the current shortfall the Analyst recommends that Finance postpone software upgrades and delay implementation of E-commerce.

General Fund, One-Time..... (\$126,600)

2.13 DFCM IT Support

By transferring information technology operations to ITS, the Division of Facilities Construction and Management can reduce its own budget.

General Fund (\$34,000)

2.14 Administrative Rules Reductions

The Division of Administrative Rules can use savings from publication of *The Bulletin* to offset costs.

General Fund, One-time (\$2,000)

2.15 Administrative Reductions

The Analyst recommends the general reductions as proposed in the Governor's budget request.

General Fund (\$23,300)

2.16 ITS Issues

With an estimated budget of \$56 million – nearly twice that of the Department of Administrative Services appropriated agencies – the Analyst believes the Division of Information Technology Services can identify efficiencies to help meet the State’s revenue shortfall. The Analyst believes policy changes with regard to depreciation expenses, capital expenditures, personal services, and current expenses can generate \$1.28 million in savings to the State.

General Fund Revenue \$1,280,000
Federal Revenue 320,000
Dedicated Credits Intergovernmental Revenue (\$1,600,000)

ITS has projected net profit of \$299,900 for FY 2002. As internal service funds are directed in statute to “break-even,” the Analyst recommends the Legislature reduce the General Fund appropriation to ITS by the amount of the profit.

General Fund, One-time (\$299,900)

2.17 Reduction of Scope at the Governor’s Mansion

The Governor’s Mansion program provides maintenance on the exterior of the facility. The amount shown is a ten percent reduction for FY 2002.

General Fund (\$3,000)

1.0 Department of Administrative Services - Executive Director

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	819,700		819,700
General Fund, One-time		(67,600)	(67,600)
Transfers	129,500		129,500
Total	\$949,200	(\$67,600)	\$881,600
Programs			
Executive Director	949,200	(67,600)	881,600
Total	\$949,200	(\$67,600)	\$881,600
FTE/Other			
Total FTE	10		10

2.0 Issues: Executive Director’s Office

2.1 Furlough

The amount below reflects a one day furlough for nine FTE.

General Fund (\$2,100)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund (\$1,900)

2.3 Administrative Reductions

The Governor recommended a reduction in Administrative expenses without identifying a distribution. The Analyst believes that the Executive Director is in the best position to implement those changes.

General Fund (\$23,300)

2.4 Program Elimination

As part of Y2K upgrades, the Department of Administrative Services implemented a card access system to secure the State Office Building. At the request of the Legislature, entry is restricted to one door for the entire building – the first floor door on the south side of the building. The doors at the plaza level (second floor) can be accessed by card reader only. One of the difficulties in enforcing access policies is finding a way to stop “tailgaters” – those who would follow a legitimate employee through the secure door. At this point, DAS maintains a full time person to monitor the plaza level entrance. Other building managers in the area use cameras to monitor access to secure doors. The analyst believes that this can be done for the State Office Building, freeing funds for the second floor monitor to be applied to the current year revenue shortfall. Funding for this position flowed from each agency within the Department and the Executive Director may need to spread this reduction back to those divisions to maintain operations.

General Fund (\$40,000)

2.5 ISF Rates

Several Internal Service Funds adjusted rates for FY 2002, resulting in savings to client agencies. The impact on this program is noted below.

General Fund (\$300)

1.0 Department of Administrative Services - Information Technology Services

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	376,600		376,600
General Fund, One-time	500,000	(299,900)	200,100
Transfers	(876,600)	299,900	(576,700)
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
Dedicated Credits - Intragvt Rev	55,191,300	(1,600,000)	53,591,300
Transfers	876,600	(299,900)	576,700
Total	<u>\$56,067,900</u>	<u>(\$1,899,900)</u>	<u>\$54,168,000</u>
Programs			
ISF - ITS Administration and Finance			
ISF - Network Services	11,890,500		11,890,500
ISF - Telephone Services	15,232,500		15,232,500
ISF - Radio Shop	2,276,000		2,276,000
ISF - Computing	18,018,700	(1,600,000)	16,418,700
ISF - ITS Support Services	6,513,100		6,513,100
ISF - New Technologies	611,600		611,600
ISF - Automated Geographic Ref Ctr	1,225,600		1,225,600
Total	<u>\$55,768,000</u>	<u>(\$1,600,000)</u>	<u>\$54,168,000</u>
Net Income	<u>\$299,900</u>	<u>(\$299,900)</u>	<u>\$0</u>
FTE/Other			
Total FTE	248		248
Retained Earnings	14,481,500	(299,900)	14,181,600

2.0 Issues: Information Technology Services

2.1 ITS Net Revenue

ITS has projected net profit of \$299,900 for FY 2002. As internal service funds are directed in statute to “break-even,” the Analyst recommends the Legislature reduce the General Fund appropriation to ITS by the amount of the profit.

General Fund, One-time (\$299,900)

2.2 ITS Administrative Savings

With an estimated budget of \$56 million – nearly twice that of the Department of Administrative Services appropriated agencies – the Analyst believes the Division of Information Technology Services can identify efficiencies to help meet the State’s revenue shortfall. The Analyst believes policy changes with regard to depreciation expenses, capital expenditures, personal services, and current expenses can generate \$1.28 million in savings to the State.

General Fund Revenue	\$1,280,000
Federal Revenue	320,000
Dedicated Credits Intergovernmental Revenue (\$1,600,000)	

The Analyst recommends the following intent language to accomplish this savings:

It is the intent of the Legislature that the Division of Information Technology Services adjust its expenses such that it generates \$1,280,000 in General Fund/School Fund savings for FY 2002. The Legislature further intends that the Division realize said savings by means of an immediate rate reduction or rebate.

1.0 Department of Administrative Services - Administrative Rules

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	273,800		273,800
General Fund, One-time		(11,200)	(11,200)
Beginning Nonlapsing	13,700		13,700
Closing Nonlapsing	(9,400)		(9,400)
Total	\$278,100	(\$11,200)	\$266,900
Programs			
DAR Administration	257,100	(10,100)	247,000
Rules Publishing	21,000	(1,100)	19,900
Total	\$278,100	(\$11,200)	\$266,900
FTE/Other			
Total FTE	4		4

2.0 Issues: Administrative Rules

2.1 Furlough

The amount below reflects a one day furlough for four FTE.

General Fund (\$800)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund (\$8,300)

2.3 ISF Rates

Several Internal Service Funds adjusted rates for FY 2002, resulting in savings to client agencies. The impact on this program is noted below.

General Fund (\$100)

2.4 Administrative Rules Reductions

The Division of Administrative Rules can use savings from publication of *The Bulletin* to offset costs.

General Fund, One-time (\$2,000)

1.0 Department of Administrative Services - DFCM Administration

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	2,978,500		2,978,500
General Fund, One-time		(155,600)	(155,600)
Dedicated Credits Revenue	2,500		2,500
Transfers	205,300		205,300
Beginning Nonlapsing	700		700
Total	\$3,187,000	(\$155,600)	\$3,031,400
Programs			
DFCM Administration	3,187,000	(155,600)	3,031,400
Total	\$3,187,000	(\$155,600)	\$3,031,400
FTE/Other			
Total FTE	39	(1)	38

2.0 Issues: DFCM Administration

2.1 Furlough

The amount below reflects a one day furlough for thirty-nine FTE.

General Fund (\$8,800)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund (\$11,500)

2.3 ISF Rates

Several Internal Service Funds adjusted rates for FY 2002, resulting in savings to client agencies. The impact on this program is noted below.

General Fund (\$1,300)

2.4 DFCM IT Support

By transferring information technology operations to ITS, the Division of Facilities Construction and Management can reduce its own budget.

General Fund (\$34,000)

2.5 Reduction in Personal Services

DFCM received funds from the Project Reserve Fund to help offset costs associated with increased workload. Since some of that work has been delayed, the funds can be stretched a little farther than originally anticipated.

General Fund, One-time (\$100,000)

1.0 Department of Administrative Services-DFCM Facilities Management

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	121,300		121,300
General Fund, One-time		(13,000)	(13,000)
Dedicated Credits Revenue	141,400		141,400
Total	\$262,700	(\$13,000)	\$249,700
Programs			
Governor's Mansion	30,000	(3,000)	27,000
Preventive Maintenance	141,400		141,400
Governor's Residence	91,300	(10,000)	81,300
Total	\$262,700	(\$13,000)	\$249,700
FTE/Other			
Total FTE		2	2

2.0 Issues: DFCM Facilities Management

2.1 Reduce Scope at Governor’s Mansion

The Governor’s Mansion program provides maintenance on the exterior of the facility. The amount shown is a ten percent reduction for FY 2002.

General Fund..... (\$3,000)

2.8 Elimination of Recent Enhancements at Governor’s Residence

Last year the Governor’s Residence received a budget increase to bolster security. The Analyst believes that recent program enhancements should give way to other expenditures that are central to the mission of DAS. *It should be noted that the Governor does not actually live in the governor’s residence.*

General Fund..... (\$10,000)

1.0 Department of Administrative Services - State Archives

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	2,050,900		2,050,900
General Fund, One-time		(69,300)	(69,300)
Dedicated Credits Revenue	38,900		38,900
Beginning Nonlapsing	63,100		63,100
Total	\$2,152,900	(\$69,300)	\$2,083,600
Programs			
Archives Administration	625,800	(61,500)	564,300
Records Analysis	350,800	(1,600)	349,200
Preservation Svcs	292,300	(2,100)	290,200
Patron Services	467,300	(2,000)	465,300
Records Services	416,700	(2,100)	414,600
Total	\$2,152,900	(\$69,300)	\$2,083,600
FTE/Other			
Total FTE	35	(2)	33

2.0 Issues: State Archives

2.1 Furlough

The amount below reflects a one day furlough for thirty-three FTE.

General Fund..... (\$4,900)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund..... (\$5,600)

2.3 ISF Rates

Several Internal Service Funds adjusted rates for FY 2002, resulting in savings to client agencies. The impact on this program is noted below.

General Fund..... (\$800)

2.4 Reduction in Personal Services

The Analyst recommends a reduction equivalent to the cost of two vacant FTE positions.

General Fund.....(\$58,000)

1.0 Department of Administrative Services - Finance Administration

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	6,242,500		6,242,500
General Fund, One-time		(417,300)	(417,300)
Transportation Fund	450,000		450,000
Dedicated Credits Revenue	1,232,000	(500)	1,231,500
GFR - ISF Overhead	1,483,300	(300)	1,483,000
Transfers	24,200		24,200
Beginning Nonlapsing	2,026,500		2,026,500
Total	\$11,458,500	(\$418,100)	\$11,040,400
Programs			
FIN Director's Office	311,200	(1,400)	309,800
Payroll	3,864,200	(7,200)	3,857,000
Payables/Disbursing	1,709,400	(5,300)	1,704,100
Technical Services	1,460,200	(212,700)	1,247,500
Financial Reporting	1,191,000	(3,400)	1,187,600
Financial Information Systems	2,922,500	(188,100)	2,734,400
Total	\$11,458,500	(\$418,100)	\$11,040,400
FTE/Other			
Total FTE	87	(4)	83

2.0 Issues: Finance Administration

2.1 Furlough

The amount below reflects a one day furlough for eighty-seven FTE.

General Fund (\$13,700)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund (\$31,700)

2.3 ISF Rates

Several Internal Service Funds adjusted rates for FY 2002, resulting in savings to client agencies. The impact on this program is noted below.

General Fund (\$1,900)

2.4 Reduction in Personal Services

The Analyst recommends a reduction equivalent to four FTE or three percent of personal services.

General Fund..... (\$243,400)

2.5 Finance Technology

Over the last several years, the Legislature authorized the Division of Finance to used carry-forward balances to fund technology initiatives. These initiatives have been very successful in creating new systems that increase productivity without needing new employees. With the current shortfall the Analyst recommends that Finance postpone software upgrades and delay implementation of E-commerce.

General Fund..... (\$126,600)

1.0 Department of Administrative – Finance-Mandated

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	3,664,000		3,664,000
General Fund, One-time	1,652,500	(699,900)	952,600
Uniform School Fund	564,000		564,000
Transportation Fund	69,100		69,100
Transfers	(312,000)	100,100	(211,900)
Beginning Nonlapsing	628,000		628,000
Closing Nonlapsing	(101,300)		(101,300)
Lapsing Balance	(416,000)	416,000	
Total	\$5,748,300	(\$183,800)	\$5,564,500
Programs			
800 MHz Conversion	1,713,600	(101,300)	1,612,300
Information Technology Infrastructure In			
LeRay McAllister Critical Land Conserva	2,750,000	(82,500)	2,667,500
Annual Leave Conversion	642,600		642,600
Retirement Benefits	642,100		642,100
Total	\$5,748,300	(\$183,800)	\$5,564,500

2.0 Issues: Finance-Mandated

2.1 Furlough for Internal Service Funds

If a furlough is to be sought for statewide employees, the savings generated by Internal Service Funds should be reflected to help offset the current year revenue shortfall. The Analyst recommends a transfer of \$100,100 in the current year for furlough savings in the ISF portion of the budget.

General Fund..... (\$100,100)
Transfers \$100,100

The Analyst recommends approval of the following intent language to ensure proper transfer of funds:

It is the intent of the Legislature that the Department of Administrative Services' Internal Service Funds implement furloughs in the same manner as appropriated agencies and of volume sufficient to generate the equivalent of \$100,100 in rebates to the General Fund. The Legislature further intends that the Department rebate this amount to the General Fund upon completion of the furlough.

2.2 LeRay McAllister Fund

The LeRay McAllister Fund provides money for the preservation of open space. The ongoing appropriation is \$2,750,000, and the cut below represents three percent of that amount.

General Fund..... (\$82,500)

2.3 Remaining 800 MHz Funds

Of the more than \$3.5 million appropriated for conversion to 800 MHz Public Safety radio, \$101,300 remains unallocated by the CIO. The Analyst recommends lapsing this amount to the General Fund.

General Fund..... (\$91,400)

General Fund One-Time..... (\$9,900)

2.4 IT Infrastructure Innovation Program

The Utah Technology Infrastructure Innovation Program was designed to inspire investments in innovative technology that would in turn lead to time and money saving advances in state processes. However, only one agency responded to the FY 2002 call for proposals. There is more than \$400,000 in the fund that has yet to be encumbered and will not be used as planned. The Analyst recommends redirecting these funds to other state purposes.

General Fund One-Time (\$416,000)

1.0 Department of Administrative Services - Judicial Conduct Commission

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	228,400		228,400
General Fund, One-time		(2,000)	(2,000)
Transfers	600		600
Beginning Nonlapsing	19,700		19,700
Total	\$248,700	(\$2,000)	\$246,700
Programs			
Judicial Conduct Commission	248,700	(2,000)	246,700
Total	\$248,700	(\$2,000)	\$246,700
FTE/Other			

2.0 Issues: Judicial Conduct Commission

2.1 Furlough

The amount below reflects a one day furlough for twenty-four FTE.

General Fund (\$600)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund (\$1,300)

2.3 ISF Rates

Several Internal Service Funds adjusted rates for FY 2002, resulting in savings to client agencies. The impact on this program is noted below.

General Fund (\$100)

1.0 Department of Administrative Services – Purchasing and General Services

	Analyst FY 2002 Estimated	Analyst FY 2002 Supplemental	Analyst FY 2002 Revised
Financing			
General Fund	1,325,800		1,325,800
General Fund, One-time		(36,100)	(36,100)
Dedicated Credits Revenue	82,300		82,300
Transfers	21,900		21,900
Beginning Nonlapsing	83,000		83,000
Total	\$1,513,000	(\$36,100)	\$1,476,900
Programs			
Purchasing and General Services	1,513,000	(36,100)	1,476,900
Total	\$1,513,000	(\$36,100)	\$1,476,900
FTE/Other			
Total FTE	24		24

2.0 Issues: Purchasing and General Services

2.1 Furlough

The amount below reflects a one day furlough for two FTE.

General Fund (\$4,100)

2.2 Across the Board Reductions

This amount reflects reductions for expense categories identified on page three.

General Fund (\$1,400)

2.3 Internal Service Fund Reductions

This amount reflects reductions for rates charged by intra-governmental agencies.

General Fund (\$600)

2.4 Reduction in Personal Services

The Analyst recommends a reduction equivalent to one FTE or three percent of personal services.

General Fund (\$30,000)

4.0 Additional Information – Capital Facilities & Administrative Service Subcommittee

	1999	2000	2001	2002	Difference
	Actual	Actual	Actual	Revised	2001 to 2002
Financing					
General Fund	143,300,800	142,261,200	134,703,800	133,509,400	(1,194,400)
General Fund, One-time	7,730,500		13,417,800	(6,160,800)	(19,578,600)
Uniform School Fund	17,485,700	28,286,500	31,968,600	25,234,600	(6,734,000)
Uniform School Fund, One-time	5,124,400				
Income Tax	1,940,700	3,682,100		24,298,000	24,298,000
Income Tax, One-time	10,500,000			(8,628,500)	(8,628,500)
Transportation Fund	450,000		1,061,000	519,100	(541,900)
Transportation Fund, One-time	2,118,900				
Centennial Highway Fund	38,097,300	45,628,600	41,104,400	82,657,500	41,553,100
Centennial Highway Fund, One-time			3,079,000		(3,079,000)
Federal Funds	3,505,800	3,812,500	1,170,000		(1,170,000)
Dedicated Credits Revenue	79,466,500	33,001,700	22,558,200	31,475,900	8,917,700
Premiums	15,386,700	17,091,900	22,431,600	23,441,200	1,009,600
Licenses/Fees		153,300	140,000	145,000	5,000
Interest Income	2,586,600	3,134,400	572,200	615,800	43,600
Dedicated Credits - Intragvt Rev	110,995,700	113,532,500	121,760,100	126,042,100	4,282,000
Dedicated Credits - GO Bonds	48,728,800	54,501,200	8,600,000	18,628,500	10,028,500
Restricted Revenue	5,878,100	8,536,200	10,424,400	8,983,900	(1,440,500)
GFR - ISF Overhead	1,548,300	1,318,700	1,470,900	1,483,000	12,100
Trust and Agency Funds		300	300		(300)
Transfers	2,527,900	6,077,500	4,122,500	169,600	(3,952,900)
Transfers - Interagency	680,000				
Transfers - ISF Retained Earnings		1,656,000			
Transfers - Youth Corrections			2,319,200		(2,319,200)
Other Financing Sources		5,700	9,200	9,200	
Beginning Nonlapsing	3,445,400	9,495,600	11,467,200	14,722,100	3,254,900
Closing Nonlapsing	(8,483,700)	(11,483,800)	(14,722,100)	(5,861,100)	8,861,000
Lapsing Balance	(15,800)				
Total	\$492,998,600	\$460,692,100	\$417,658,300	\$471,284,500	\$53,626,200
Programs					
Capitol Preservation Board		2,361,500	2,504,600	2,753,500	248,900
Administrative Services	29,405,900	25,554,600	25,712,400	29,041,700	3,329,300
Intragovernmental Services	136,188,700	143,235,100	156,669,100	160,223,000	3,553,900
Capital Budget	182,246,800	131,267,100	73,886,100	92,909,400	19,023,300
Debt Service	145,157,200	158,273,800	158,886,100	186,356,900	27,470,800
Total	\$492,998,600	\$460,692,100	\$417,658,300	\$471,284,500	\$53,626,200
Expenditures					
Personal Services	38,982,600	39,877,600	41,406,400	42,877,500	1,471,100
In-State Travel	179,000	193,000	169,500	181,800	12,300
Out of State Travel	260,800	254,600	228,100	277,300	49,200
Current Expense	228,344,600	249,333,000	259,203,200	291,797,100	32,593,900
DP Current Expense	16,253,300	13,238,100	13,188,200	14,695,900	1,507,700
DP Capital Outlay	8,135,300	7,119,900	6,409,700	6,553,500	143,800
Capital Outlay	1,015,100	8,005,600			
Other Charges/Pass Thru	183,170,900	141,317,600	84,438,100	101,108,300	16,670,200
Depreciation	8,453,100	119,600	10,715,000	12,603,900	1,888,900
Trust & Agency Disbursements			50,000		(50,000)
Total	\$484,794,700	\$459,459,000	\$415,808,200	\$470,095,300	\$54,287,100
FTE/Other					
Total FTE	690	673	722	722	(0)
Authorized Capital Outlay	28,862,072	28,224,655	21,756,400	18,986,600	(2,769,800)
Retained Earnings	18,304,100	21,063,100	25,856,500	28,243,500	2,387,000