

Office of the
Legislative Fiscal Analyst

FY 2003 Budget Recommendations

Joint Appropriations Subcommittee for
Economic Development and Human Resources

DCED - Administration

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1.0 DCED - Administration

Summary

The Administration gives direction, public relations, personnel, accounting, research, data processing, and strategic planning support to the department.

	Analyst FY 2003 Base	Analyst FY 2003 Changes	Analyst FY 2003 Total
Financing			
General Fund	2,711,100	(77,000)	2,634,100
Total	<u>\$2,711,100</u>	<u>(\$77,000)</u>	<u>\$2,634,100</u>
Programs			
Executive Director	481,300	(51,400)	429,900
Information Technology	1,014,400	(31,500)	982,900
Administrative Services	1,215,400	5,900	1,221,300
Total	<u>\$2,711,100</u>	<u>(\$77,000)</u>	<u>\$2,634,100</u>
FTE/Other			
Total FTE	31	(1)	30

2.0 Issues: DCED - Administration

2.1 General Budget Statement

The *Analyst FY 2003 Base* budget recommendation includes *the Revised Estimate* from FY 2002 as approved by the Executive Appropriations Committee and the following items:

- ▶ Adjustment for FY 2002 one-time programs;
- ▶ Payroll cost of an extra day in FY 2003;
- ▶ Transfers of Market Comparability Adjustments; and
- ▶ Net Changes for Internal Service Fund Rates.

FY 2003 changes reflect the incremental costs of across the board reductions and annualization of partial budget cuts approved for FY 2002.

2.2 Reduction of Olympic Coordinator

The Analyst recommends a reduction of \$50,000 for an Olympic Coordinator.

2.3 Information Technology Reclassification

The Analyst recommends the reclassification of an Information Technology position and a corresponding reduction of \$29,000.

2.4 Information Technology Capital Reduction

The Analyst recommends continuing the \$50,000 reduction in information technology capital adopted by the Committee in FY 2002.

2.5 Intent Language

The Analyst recommends the following intent:

It is the intent of the Legislature that funding for DCED Administration be nonlapsing.

The Legislature intends that the Division develop performance measures for each program and where possible prepare a five-year history of those measures for the 2003 general session.

3.0 Programs - Administration

3.1 Executive

Recommendation The Analyst recommends a budget of \$429,900.

	2001 Actual	2002 Estimated	2003 Analyst	Est/Analyst Difference
Financing				
General Fund	577,800	577,400	429,900	(147,500)
General Fund, One-time		(3,000)		3,000
Transfers		1,700		(1,700)
Beginning Nonlapsing		700		(700)
Closing Nonlapsing	(700)			
Total	<u>\$577,100</u>	<u>\$576,800</u>	<u>\$429,900</u>	<u>(\$146,900)</u>
Expenditures				
Personal Services	510,700	516,900	373,400	(143,500)
In-State Travel	4,400	4,400	4,400	
Out of State Travel	15,900	14,400	14,400	
Current Expense	40,400	38,800	32,600	(6,200)
DP Current Expense	5,700	2,300	5,100	2,800
Total	<u>\$577,100</u>	<u>\$576,800</u>	<u>\$429,900</u>	<u>(\$146,900)</u>
FTE/Other				
Total FTE	7	6	5	(1)

Purpose The director and his staff lead and coordinate the department’s work with the governor, other state agencies, and the public. The Executive Section coordinates the efforts of the various divisions of the department in communicating the Utah message.

Performance Measures The performance measures of each program of the department are governed by the guiding principles established by the department director:

- ▶ We are servants of the people and treat them as valued customer
- ▶ We value teamwork
- ▶ We plan ahead, accomplish goals and think strategically
- ▶ While we’re at it, let’s have fun

3.2 Information Technology

Recommendation The Analyst recommends a budget of \$982,900.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	988,300	1,010,300	982,900	(27,400)
General Fund, One-time		(55,300)		55,300
Transfers		9,500		(9,500)
Beginning Nonlapsing	20,000	41,800		(41,800)
Closing Nonlapsing	(41,800)			
Total	<u>\$966,500</u>	<u>\$1,006,300</u>	<u>\$982,900</u>	<u>(\$23,400)</u>
Expenditures				
Personal Services	660,600	744,500	718,800	(25,700)
In-State Travel	1,000	1,000	1,000	
Out of State Travel	4,900	2,000	2,000	
Current Expense	23,400	(31,900)	11,500	43,400
DP Current Expense	231,500	245,600	204,500	(41,100)
DP Capital Outlay	45,100	45,100	45,100	
Total	<u>\$966,500</u>	<u>\$1,006,300</u>	<u>\$982,900</u>	<u>(\$23,400)</u>
FTE/Other				
Total FTE	12	12	12	0

Purpose The Information Technology Organization is responsible to provide cost effective and reliable technology services to the Department. This includes: network services; application development and delivery; internet & web services and customer desk top support.

Responsibilities include: maintenance and support of all computer room backend services: LAN and WAN connectivity; web services and delivery; database support and maintenance; application development and support and email services.

Accomplishments The Information Technology section implemented a Cluster Services/Storage Area Network environment to improve overall system uptime and provide 24/7 service for users. They also implemented a successful in-house Grants Management System that significantly improved workflow and received the CIO's technology award for 2001. The section designed and developed the Department's e-Government strategic plans to move government services online by 2004.

Performance Measures Information Technology achieved a 99.8 percent desktop, network and server uptime for our users. This is a result of the successful implementation of the Cluster Services/Storage project.

3.3 Administrative Services

Recommendation The Analyst recommends a budget of \$1,221,300.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	1,116,200	1,153,300	1,221,300	68,000
General Fund, One-time		(37,600)		37,600
Transfers		1,000		(1,000)
Beginning Nonlapsing	15,200	8,200		(8,200)
Closing Nonlapsing	(8,200)			
Total	<u>\$1,123,200</u>	<u>\$1,124,900</u>	<u>\$1,221,300</u>	<u>\$96,400</u>
Expenditures				
Personal Services	643,400	675,400	770,700	95,300
In-State Travel	2,600	2,600	2,600	
Out of State Travel	4,900	4,900	4,900	
Current Expense	463,500	433,200	434,300	1,100
DP Current Expense	8,800	8,800	8,800	
Total	<u>\$1,123,200</u>	<u>\$1,124,900</u>	<u>\$1,221,300</u>	<u>\$96,400</u>
FTE/Other				
Total FTE	13	12	13	1

Purpose Administrative Services coordinates and facilitates the business functions of the department. The Administrative team provides the department’s public relations, research, personnel, budget, accounting, and internal auditing services.

Accomplishments During 2001, the position of Media Relations Director was created to address the need for consistency in terms of department messages and formats, and provide assistance to each Division in their individual efforts. A primary accomplishment is the development of a formalized network of public information officers within the department, meeting on a regular basis to share ideas, support marketing efforts and disperse new information.

The Research Office regularly provides economic impact analysis, and customized data and analysis to the business community on a wide variety of topics such as economic forecasts, population, taxes employment, inflation, and income. Highlights of this year include: Economic impact assessments, program evaluation, and performance benchmarks for IAF, International Development, Community Impact Fund, and Housing.

Human Resources has sustained its record of providing quality applicants and timely service on requests for reclassifications, training and orientation for new employees. A new on-line orientation manual and system has been instituted. Exceptional accomplishments include zero grievances for the second year in a row. In addition, DCED’s Human Resources Office has developed 10 career mobility plans in support of the Executive Director’s policy of promoting within.

The Office of Planning Services provided facilitation services for brainstorming sessions, 14 strategic planning sessions, including a retreat for the Executive Management Team.

4.0 Additional Information

4.1 Funding History

	1999	2000	2001	2002	2003
Financing	Actual	Actual	Actual	Estimated	Analyst
General Fund	2,278,800	2,311,700	2,682,300	2,741,000	2,634,100
General Fund, One-time				(95,900)	
Dedicated Credits Revenue	(3,600)				
Transfers				12,200	
Beginning Nonlapsing	33,500	168,100	35,200	50,700	
Closing Nonlapsing	(168,100)	(35,200)	(50,700)		
Total	\$2,140,600	\$2,444,600	\$2,666,800	\$2,708,000	\$2,634,100
Programs					
Executive Director	1,186,100	488,600	577,100	576,800	429,900
Information Technology	954,500	1,012,500	966,500	1,006,300	982,900
Administrative Services		943,500	1,123,200	1,124,900	1,221,300
Total	\$2,140,600	\$2,444,600	\$2,666,800	\$2,708,000	\$2,634,100
Expenditures					
Personal Services	1,326,800	1,518,100	1,814,700	1,936,800	1,862,900
In-State Travel	3,000	7,200	8,000	8,000	8,000
Out of State Travel	12,200	28,500	25,700	21,300	21,300
Current Expense	443,600	504,400	527,300	440,100	478,400
DP Current Expense	306,500	278,000	246,000	256,700	218,400
DP Capital Outlay	48,500	108,400	45,100	45,100	45,100
Total	\$2,140,600	\$2,444,600	\$2,666,800	\$2,708,000	\$2,634,100
FTE/Other					
Total FTE	26	31	32	29	30