

Connecticut General Assembly



OFFICE OF FISCAL ANALYSIS

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To: Legislative Members of the Finance Advisory Committee

From: Geary Maher
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Subject: Items for the FAC Meeting for May 1, 2008

Items 2008-17 through 2008-26 have been reviewed by this office and additional information has been provided where it was considered to be helpful in more fully understanding the item.

2008 – 17 Commission on Children

The Commission on Children requests the transfer of \$40,000 from Personal Services (PS) to Other Expenses (\$36,500) and Equipment (\$3,500). The commission has \$40,000 available in PS remaining because of a delay in the hiring of a new employee. The Other Expenses funding will be utilized for the continuation of the Playbook on Prevention campaign. The Equipment funding will be used for the purchase of a photographic printer (to reduce the necessity of using an outside vendor for graphic work), a fax machine, and a file cabinet.

2008 – 18 Department of Veterans' Affairs

The agency requests the transfer of \$200,000 from Personal Services (PS) to Other Expenses (OE). Funding is available in PS due to vacant positions and managing overtime

costs. The OE shortfall is due to increased energy costs. It should be noted that sHB 5019, the deficiency bill, as favorably reported by the Appropriations Committee, reduces DVA's FY 08 appropriation to PS (\$185,000) and OE (\$182,000). It is anticipated that the FAC transfer and the appropriation reduction in the deficiency bill can be accommodated with the agency's FY 08 available funding (which includes the anticipated release of the OE holdback).

2008 – 19 Department of Information Technology

Section 39 of PA 07-1 of the June Special Session provides the Department of Information Technology with the authority to adjust mainframe service rates.

This FAC will reallocate IT funding among affected General Fund agencies to reflect the new rate schedule. The new rates will be retroactive to December 1, 2007.

The new rate schedule will not result in either a loss or a gain to the State, but it will provide for a more precise distribution of charges for IT services across State agencies. Moreover, this new schedule will provide for more accurate claiming of reimbursement for participating state agencies.

The new rates will be retroactive to December 1, 2007. The last six billing cycles of Fiscal Year 2008 (January – June 2008 invoices) will reflect these new rates.

The FY 08 and FY 09 agency appropriations for IT services were based on the old rate schedule that has been in place for many years.

A spreadsheet detailing funds being proposed for reallocation to or from agencies is below.

TOTAL FUNDS TO BE TRANSFERRED BY AGENCY FY 2008 As of 4/11/08

Agency Code	Agency Name	Total Funds to Transfer By Agency FY 2008
APA	Auditors of Public Accounts	(\$4,339)
BOA	Accountancy, State Board of	(\$1,223)
BOP	Board of Parole	(\$3,114)
CAT	CT Commission on Culture and Tourism	\$32,049
COD	Comm on the Deaf and Hearing Impaired	\$4,142
DAG	Agriculture, Department of	\$16,568
DAS	Administrative Services, Department of	(\$771)
DCF	Department of Children and Families	(\$529,446)
DCP	Department of Consumer Protection	\$17,581
DEP	Department of Environmental Protection	\$8,441
DDS	Department of Developmental Services	\$352,814
DOC	Department of Correction	(\$83,661)
DOL	Department of Labor	\$6,522

DPH	Department of Public Health	\$42,093
DPS	Department of Public Safety	\$29,510
DPW	Department of Public Works	\$13,949
DRS	Department of Revenue Services	\$107,306
DSS	Department of Social Services	(\$387,212)
DVA	Department of Veterans' Affairs	\$298
ECD	Dept of Economic & Community Development	\$359
EHS	Emergency Mngmt & Homeland Security	\$110,539
ELE	State Elections Enforcement Commission	\$6,835
ESB	Education & Services For the Blind, Bd of	\$119
GOV	Governor's Office	\$23,763
HCA	Office of Health Care Access	\$7,298
HRO	Comm on Human Rights and Opportunities	\$22,419
JUD	Judicial Department	(\$60,339)
LOB	General Assembly	\$6,775
LGO	Lieutenant Governor, Office of	\$3,739
MHA	Dept of Mental Health & Addiction Svc	\$219,793
MIL	Military Department	(\$2,938)
OCA	Office of the Child Advocate	\$8,204
OPM	Office of Policy and Management	\$13,395
OSC	State Comptroller	(\$22,782)
OTT	State Treasurer	\$3,858
OVA	Office of Victim Advocate	\$159
OWC	Office of Workforce Competitiveness	\$4,147
PDS	Public Defender Services Commission	(\$206)
SDE	Department of Education	\$45,996
SOS	Secretary of the State	(\$11,856)
TRB	Teachers' Retirement Board	(\$784)
	41 Agencies	\$0.00

2008 – 20 Department of Economic and Community Development

The agency requests a transfer of funds, in the amount of \$361,221 from Resident Services Coordinators (\$184,827), Congregate Facilities Operation Costs (\$158,491), and Housing Assistance Counseling (\$17,903) to the Elderly Congregate Rent Subsidy. The additional funding is requested due to changes in tenant turnover, eligibility, and income related contributions. Funding is available from each of the three programs due to application and project delays as well as tenant changes anticipated in FY 08.

2008 – 21 Department of Developmental Services

The agency requests the transfer of \$2,314,000 from Personal Services to Other Expenses (\$1.2 million), Early Intervention (\$714,000) and Workers' Compensation (\$400,000); and

a transfer of \$302,000 from Community Residential Services to Rent Subsidy. Funding is available in the Personal Services (PS) account due to retirements, resignations and delays in filling positions. *Please see the agency submittal for further explanation.*

It should be noted that sHB 5019, the deficiency bill, as favorably reported by the Appropriations Committee, reduces the department's PS FY 08 appropriation by \$2,520,000. In addition, sHB 5021, the budget bill, as favorably reported by the Appropriations Committee, provides that up to a total of \$1.1 million in PS in FY 08 shall not lapse and shall be transferred to other specified agencies for expenditures in FY 09. It is anticipated that the FAC transfer, appropriation reduction in the deficiency bill and the budget bill's carry forward and transfer can be accommodated with the agency's FY 08 PS available funding.

2008 – 22 Department of Mental Health and Addiction Services

The agency requests the transfer of \$7.1 million from various accounts to Personal Services (\$5.6 million), Other Expenses (\$1.4 million) and Professional Services (\$100,000). Funding is available for transfer from the following accounts: Community Mental Health Strategy Board (\$3.1 million); Housing Support Services (\$2 million); Home and Community Based Services (\$700,000); and Workers' Compensation (\$1.3 million). *Please see the agency submittal for further explanation.*

The agency's gross shortfall of \$13.9 million will be addressed by the \$7.1 million FAC transfer in addition to the following: \$2,850,622 deficiency appropriation included in sHB 5019, the deficiency bill, as favorably reported by the Appropriations Committee; release of the Personal Services (\$1,943,400) and Other Expenses (\$854,222) holdbacks; and anticipated transfer from OPM's Salary Adjustment account (\$800,000) and Energy Contingency account (estimated \$360,000).

2008 – 23 Department of Social Services

This item transfers the following funds: \$1.2 million in Personal Services; \$4.7 million in ConnPACE; \$800,000 from Services to the Elderly and \$4.4 million in Housing/Homeless Services to meet the needs in Child Care Services, Medicare Part D Supplemental Needs and Refunds of Collections, as detailed in the attached narrative. It should be noted that sHB 5019, the deficiency bill, as favorably reported by the Appropriations Committee, reduces the department's PS by \$100,000, ConnPACE by \$1,840,000; and Housing/Homeless Services by \$4 million. It is anticipated that the FAC transfer, and appropriation reduction in the deficiency bill can be accommodated with the agency's lapsing funds. The budget bill, sHB 5021, as favorably reported by the Appropriations Committee, makes necessary corrections to the FY 09 budget to account for these transfers.

2008 – 24 Department of Higher Education

The Department of Higher Education (DHE) requests Finance Advisory Committee (FAC) approval to transfer \$100,000 from the Alternate Route to Certification (ARC) account to Personal Services (\$30,000), Other Expenses (\$57,580), and Capital Equipment (\$12,420). Personal Services is experiencing a deficiency due to the vacation and sick accrual payout to the former Commissioner. The funds transferred to Other Expenses and Capital Equipment will be used to complete renovations at 61 Woodland Street to allow DHE to move the ARC program from Middlesex Community College.

2008 – 25 Public Defender Services Commission

The agency requests a transfer of funds from Personal Services (\$410,000) to Other Expenses, \$210,000, and Expert Witnesses, \$190,000. Additional funds are required in the Other Expenses account to meet rising costs for energy, telecommunications and online legal research, in addition to one-time costs related to information technology upgrades. Additional funds are required in the Expert Witnesses account to cover the cost of FY 07 bills carried over into FY 08 (approximately \$37,000); greater than anticipated costs attributable to capital and other homicide cases, and costs incurred for the Racial Bias Study (approximately \$75,000). Funds are available in the Personal Services account due to client reimbursements¹, in the approximate amount of \$100,000, and savings realized from leaves of absences and the delay in filling positions.

These transfers will help enable the agency to meet its FY 08 holdback requirements, in the amount of \$248,010 in Personal Services and \$33,264 in Other Expenses.

2008 – 26 Emergency Management and Homeland Security

The Department of Emergency Management and Homeland Security (DEMHS) requests a transfer of \$100,473 from Personal Services to Other Expenses. Available funding in Personal Services is due primarily to savings derived from the turnover of positions. This transfer assumes the release of the \$12,619 holdback in the Other Expenses account and the receipt of \$6,700 in transferred funds from the Department of Public Safety.

The transfer includes \$59,250 for equipment, maintenance and repairs at various regional offices throughout the state, \$40,740 for overtime costs within the Fiscal Unit, and \$14,800 for motor vehicle rental and fuel.

¹ Refunds of current year expenditures are generated through the collection of a \$25 fee from clients once a case is accepted by the Public Defender's Office. The fee is considered to be a reimbursement of public defender services and is not required in order for indigent clients to obtain services.