



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

|                         |                    |                |                       |
|-------------------------|--------------------|----------------|-----------------------|
| <b>Bill #</b>           | HB0566             | <b>Title:</b>  | After-school capacity |
| <b>Primary Sponsor:</b> | Hollenbaugh, Galen | <b>Status:</b> | As Introduced         |

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

|  | <u>FY 2008<br/>Difference</u> | <u>FY 2009<br/>Difference</u> | <u>FY 2010<br/>Difference</u> | <u>FY 2011<br/>Difference</u> |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Expenditures:</b>                   |                               |                               |                               |                               |
| General Fund                           | \$525,000                     | \$578,214                     | \$595,744                     | \$610,638                     |
| <b>Revenue:</b>                        |                               |                               |                               |                               |
| General Fund                           | \$0                           | \$0                           | \$0                           | \$0                           |
| <b>Net Impact-General Fund Balance</b> | <u>(\$525,000)</u>            | <u>(\$578,214)</u>            | <u>(\$595,744)</u>            | <u>(\$610,638)</u>            |

### Description of fiscal impact:

HB 566 appropriates funding for the after school programs to the Department of Public Health and Human Services (DPHHS). Additional funding will be required for administration of the program for FY 2009.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Public Health and Human Services**

1. HB 566 appropriates \$525,000 general fund per year for after school care program grants, and program administration in the first year.
2. DPHHS will hire 1.00 FTE for this program, Compliance Specialist pay band 06. The responsibilities would include management of the program as described in the bill to include: adoption of rules for implementation; conducting a needs assessment to identify communities and programs to receive the benefits; writing and conducting an RFP to disseminate the benefits to the field; developing an instrument to evaluate program effectiveness; establishing program networking meetings; coordinating the development of quality standards; collecting or documenting the 25 percent match from program participants; approving disbursement requests; and monitoring contracts.
3. The position to administer the program would be hired October 1, 2007, and would represent 0.75 FTE in FY 2008 and 1.00 FTE in FY 2009.
4. Personal Services expenditures are estimated to be \$35,106 in FY 2008 including benefits and insurance, and \$47,978 in FY 2009 with a 2.5% increase.

5. Operating expenses of \$13,050 for FY 2008 include one time expenses and ongoing expense as listed in the chart below. Total operating expenditures for FY 2009 are \$8,236.

|                             | FY 2008   | FY 2009   |
|-----------------------------|-----------|-----------|
| <b>Personnel Expense</b>    | \$ 35,106 | \$ 47,978 |
| <b>Operating Expenses</b>   |           |           |
| Office rent                 | \$ 3,863  | \$ 3,960  |
| Parking                     | \$ 497    | \$ 509    |
| Office Equipment            | \$ 1,375  |           |
| Computer                    | \$ 1,400  |           |
| RFP Advertisement           | \$ 1,200  |           |
| RFP evaluation              | \$ 1,000  |           |
| Travel                      | \$ 2,500  | \$ 2,563  |
| Phone and Printing          | \$ 1,175  | \$ 1,204  |
| <b>Sub Total</b>            | \$ 13,010 | \$ 8,236  |
|                             |           |           |
| <b>Total Administration</b> | \$ 48,116 | \$ 56,214 |

6. HB 566 provides 10 % administration expenses for FY 2008, and does not provide for any administration expenses in FY 2009.
7. Operating expenses in FY 2009 will need to be appropriated in HB2.

**Office of Public Instruction**

8. HB 566, Section 4 requires the Office of Public Instruction (OPI) to work with DPHHS to develop an evaluation instrument and a process for assessing the effectiveness of afterschool programs.

|   | <u>FY 2008<br/>Difference</u> | <u>FY 2009<br/>Difference</u> | <u>FY 2010<br/>Difference</u> | <u>FY 2011<br/>Difference</u> |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b><u>Fiscal Impact:</u></b>  |                               |                               |                               |                               |
| FTE   | 0.75                          | 1.00                          | 1.00                          | 1.00                          |
| <b><u>Expenditures:</u></b>   |                               |                               |                               |                               |
| Personal Services   | \$35,106                      | \$47,978                      | \$49,177                      | \$50,407                      |
| Operating Expenses  | \$13,010                      | \$8,236                       | \$8,442                       | \$8,653                       |
| Benefits  | \$476,884                     | \$525,000                     | \$538,125                     | \$551,578                     |
| <b>TOTAL Expenditures</b>   | <u>\$525,000</u>              | <u>\$581,214</u>              | <u>\$595,744</u>              | <u>\$610,638</u>              |
| <b><u>Funding of Expenditures:</u></b>  |                               |                               |                               |                               |
| General Fund (01)   | \$525,000                     | \$578,214                     | \$595,744                     | \$610,638                     |
| <b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b> |                               |                               |                               |                               |
| General Fund (01)   | (\$525,000)                   | (\$578,214)                   | (\$595,744)                   | (\$610,638)                   |

**Technical Notes:**

1. Cost of administration is limited to only FY 2008 and is limited to \$52,500. Total administrative costs in FY 2009 are \$56,214, which is not included in the appropriation set by HB 566. The administrative expense of \$56,214 in FY 2009 would need to be appropriated in HB 2 in order to oversee and maintain the program.
2. Section 2 (page 2, line 20) requires that an afterschool program must consist of a partnership between at least one *school* and at least one community organization. The legal entity is the school district, which has fiduciary responsibility and a board of trustees. It may be more appropriate to require that the partnership be entered into by the school district, even if only one school of the district is involved.

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*