

Program Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	13.00	13.00	13.00	13.00	13.00	13.00	0.00	0.00 %
Personal Services	986,482	984,751	1,157,565	1,158,344	1,971,233	2,315,909	344,676	17.49 %
Operating Expenses	147,276	108,777	150,531	150,563	256,053	301,094	45,041	17.59 %
Equipment & Intangible Assets	0	5,240	0	0	5,240	0	(5,240)	(100.00)%
Total Costs	\$1,133,758	\$1,098,768	\$1,308,096	\$1,308,907	\$2,232,526	\$2,617,003	\$384,477	17.22 %
General Fund	463,034	429,634	534,962	535,299	892,668	1,070,261	177,593	19.89 %
State/Other Special Rev. Funds	25,056	26,912	30,024	30,049	51,968	60,073	8,105	15.60 %
Federal Spec. Rev. Funds	645,668	642,222	743,110	743,559	1,287,890	1,486,669	198,779	15.43 %
Total Funds	\$1,133,758	\$1,098,768	\$1,308,096	\$1,308,907	\$2,232,526	\$2,617,003	\$384,477	17.22 %

Program Description

The Management and Fair Hearings Office (MFH) is made up of the Branch Management Office and the Office of Fair Hearings. It is responsible for all the oversight and management of the Operations Branch and for providing fair hearings for many of the department's programs.

Program Highlights

Management and Fair Hearings Major Budget Highlights
The Governor proposes a 17.2 % increase over the 2015 biennium budget that is primarily due to present law adjustments for personal services and operating expenses, and the addition of 1.00 FTE.

Program Discussion -

Comparison of FY 2015 Legislative Base to FY 2015 Adjusted Base

The table on the following page shows the difference in legislative appropriation and executive implementation for FY2015. There have been no program transfers, reorganizations, or other transfers as indicated.

Management and Fair Hearings FY 2015 Executive and Legislative Appropriations			
Category	Legislative Appropriation	Difference Exec/Leg	Total Executive Implementation
Personal Services	984,751	\$0	\$984,751
Operating Expenses	\$108,777	\$0	\$108,777
Equipment & Intangible Assets	<u>\$5,240</u>	<u>\$0</u>	<u>\$5,240</u>
Total Costs	\$1,098,768	\$0	\$1,098,768

Funding

The following table shows proposed program funding by source from all sources of authority.

Operations Services Branch, 16-Management and Fair Hearings Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,070,261	0	0	1,070,261	40.90 %
02221 02 Indirect Activity Prog 16	60,073	0	0	60,073	100.00 %
State Special Total	\$60,073	\$0	\$0	\$60,073	2.30 %
03304 03 Indirect Activity Prog 16	1,486,669	0	0	1,486,669	100.00 %
Federal Special Total	\$1,486,669	\$0	\$0	\$1,486,669	56.81 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$2,617,003	\$0	\$0	\$2,617,003	

All HB 2 categories are funded through cost allocation using a formula that recognizes the multiple funding sources and required general fund matches for costs that benefit common purposes related to work done by Management and Fair Hearings throughout the agency.

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	429,634	429,634	859,268	80.29 %	1,098,768	1,098,768	2,197,536	83.97 %
PL Adjustments	105,328	105,665	210,993	19.71 %	209,328	210,139	419,467	16.03 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$534,962	\$535,299	\$1,070,261		\$1,308,096	\$1,308,907	\$2,617,003	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating

expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

Present Law Adjustments	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law	0.00	84,116	2,730	85,968	172,814	0.00	84,435	2,756	86,402	173,593
DP 99 - LEG. Present Law	0.00	21,212	382	14,920	36,514	0.00	21,230	381	14,935	36,546
Grand Total All Present Law Adjustments	0.00	\$105,328	\$3,112	\$100,888	\$209,328	0.00	\$105,665	\$3,137	\$101,337	\$210,139

DP 98 - LEG. Personal Services Present Law -

This adjustment includes all personal services present law as requested by the executive. This includes the executive implementation of the pay plan, FTE reductions from HB 2 boiler plate, and benefit increases. Included in the "other" category is the addition of 1.00 FTE at the cost of \$77,396 for salary and benefits for each year of the biennium. The below table summarizes personal services present law (PSPL).

Personal Services Present Law Adjustments					
FY 2016					
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	13.00	2,583	144	3,590	\$6,318
Executive Implementation of 2015 Pay Increase		8,342	478	11,563	20,384
Fully Fund 2015 Legislatively Authorized FTE		994	141	2,700	3,835
Other		72,196	1,966	68,115	142,277
Personal Services Present Law Adjustments	13.00	\$84,116	\$2,730	\$85,968	\$172,814
FY 2017					
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	13.00	2,583	144	3,590	\$6,318
Executive Implementation of 2015 Pay Increase		8,343	478	11,563	20,384
Fully Fund 2015 Legislatively Authorized FTE		994	141	2,700	3,835
Other		72,515	1,992	68,549	143,056
Personal Services Present Law Adjustments	13.00	\$84,435	\$2,756	\$86,402	\$173,593

DP 99 - LEG. Present Law -

This adjustment includes all present law requests by the executive that are not related to personal services, including statewide present law adjustments for inflation and fixed costs. The \$73,000 biennial adjustment is funded with 58% general fund.