

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	33.00	33.00	0.00	0.00	33.00	0.00	(33.00)	(100.00)%
Personal Services	2,032,307	2,530,255	0	0	4,562,562	0	(4,562,562)	(100.00)%
Operating Expenses	5,811,595	4,431,291	0	0	10,242,886	0	(10,242,886)	(100.00)%
Debt Service	1,011	870	0	0	1,881	0	(1,881)	(100.00)%
Total Costs	\$7,844,913	\$6,962,416	\$0	\$0	\$14,807,329	\$0	(\$14,807,329)	(100.00)%
General Fund	31,465	30,172	0	0	61,637	0	(61,637)	(100.00)%
State/Other Special Rev. Funds	4,412,484	4,411,031	0	0	8,823,515	0	(8,823,515)	(100.00)%
Federal Spec. Rev. Funds	3,400,964	2,521,213	0	0	5,922,177	0	(5,922,177)	(100.00)%
Proprietary Funds	0	0	0	0	0	0	0	0.00%
Total Funds	\$7,844,913	\$6,962,416	\$0	\$0	\$14,807,329	\$0	(\$14,807,329)	(100.00)%

Program Description

The Technology Services Division (TSD) provides information technology services and support for the department including IT project management, application development, and network services.

Program Highlights

Technology Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislature approved DOLI's creation of the Technology Services Division which occurred in FY 2014. The legislature transferred 33.00 FTE and \$6.9 million in appropriation authority from other divisions • The legislature created a proprietary rate to support the IT services within DOLI and eliminated funding and FTE from HB 2

Program Narrative

Comparison of FY 2015 Legislative Base to FY 2015 Adjusted Base

As discussed elsewhere and shown in the following table, the legislature approved the creation of the Technology Services Division. The reorganization provided 33.00 FTE, \$2.5 million in personal services, and \$4.4 million in operating expenses to the newly created division.

Department of Labor & Industry - Technology Services Division							
FY 2015 Appropriation Transactions							
Program	Legislative Approps	Legislative App OTO	House Adjustment	Operating Plan	Program Transfers	Reorgs	Total Exec. Implement
Personal Services	\$0	\$0	\$0	\$0	\$0	\$2,530,255	\$2,530,255
Operations	-	-	-	(870)	-	4,432,161	4,431,291
Debt Service	-	-	-	870	-	-	870
Program Total	\$0	\$0	\$0	\$0	\$0	\$6,962,416	\$6,962,416

Legislative Budget

The legislature removed this function from HB 2 by establishing a proprietary rate for the services provided by TSD. This is discussed further in the "Proprietary Rate" section of the narrative.

Funding

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

Department of Labor and Industry, 06-Technology Services Division						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	0	0	0	0	0	0.00 %
02024 Blaster Licensing	0	0	0	0	0	0.00 %
02078 Occupational Therapists	0	0	0	0	0	0.00 %
02079 Fire Protection & Permitting	0	0	0	0	0	0.00 %
02080 Prescription Drug Registry	0	0	0	0	0	0.00 %
02109 Board Of Outfitters	0	0	0	0	0	0.00 %
02155 BoilerBlasterCrane Licensing	0	0	0	0	0	0.00 %
02207 Crane Licensing	0	0	0	0	0	0.00 %
02233 BSD Hearings	0	0	0	0	0	0.00 %
02258 Employment Security Account	0	0	0	0	0	0.00 %
02263 Subsequent Injury Admin	0	0	0	0	0	0.00 %
02315 DLI Info Exchange/Rental	0	0	0	0	0	0.00 %
02346 Contractor Registration	0	0	0	0	0	0.00 %
02359 Chemical Dependency Counselors	0	0	0	0	0	0.00 %
02446 Board Of Psychologist Exam	0	0	0	0	0	0.00 %
02448 Building Codes State Spec Rev	0	0	0	0	0	0.00 %
02455 Workers Comp Regulation	0	0	0	0	0	0.00 %
02580 Bd of Athletice Trainers	0	0	0	0	0	0.00 %
02679 Massage Therapists	0	0	0	0	0	0.00 %
02764 Bd of Adolescent Res. Or Outdr Pgms	0	0	0	0	0	0.00 %
02767 Elevators	0	0	0	0	0	0.00 %
02805 Weights & Measures Bureau	0	0	0	0	0	0.00 %
02808 Board Of Landscape Architects	0	0	0	0	0	0.00 %
02809 Board Of Speech Pathologists	0	0	0	0	0	0.00 %
02810 Bd Of Radiologic Technologists	0	0	0	0	0	0.00 %
02811 Clinical Lab Science Pract.	0	0	0	0	0	0.00 %
02812 Physical Therapists	0	0	0	0	0	0.00 %
02813 Bd Of Nursing Home Admin	0	0	0	0	0	0.00 %
02814 Bd Of Hearing Aid Dispensers	0	0	0	0	0	0.00 %
02815 Board Of Public Accountants	0	0	0	0	0	0.00 %
02816 Board Of Sanitarians	0	0	0	0	0	0.00 %
02818 Electrical Board	0	0	0	0	0	0.00 %
02819 Board of Realty Regulations	0	0	0	0	0	0.00 %
02820 Board Of Architects	0	0	0	0	0	0.00 %
02821 Board Of Funeral Service	0	0	0	0	0	0.00 %
02822 Board Of Chiropractors	0	0	0	0	0	0.00 %
02823 Professional Engineers	0	0	0	0	0	0.00 %
02824 Board Of Medical Examiners	0	0	0	0	0	0.00 %
02826 Cosmetology Board	0	0	0	0	0	0.00 %
02828 Board Of Plumbers	0	0	0	0	0	0.00 %
02829 Private Investigator	0	0	0	0	0	0.00 %
02830 Board Of Dentistry	0	0	0	0	0	0.00 %
02831 Board Of Optometrists	0	0	0	0	0	0.00 %
02832 Board Of Pharmacy	0	0	0	0	0	0.00 %
02833 Board Of Nursing	0	0	0	0	0	0.00 %
02834 Board Of Veterinarians	0	0	0	0	0	0.00 %
02840 Board Of Social Workers	0	0	0	0	0	0.00 %
02841 Board Of Athletics	0	0	0	0	0	0.00 %
02852 Bd. Of Alternative Health Care	0	0	0	0	0	0.00 %
02854 Bd. Of Real Estate Appraisers	0	0	0	0	0	0.00 %
02855 Bd Of Respiratory Care	0	0	0	0	0	0.00 %
02941 Uninsured Employer Fund	0	0	0	0	0	0.00 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
03122 EEOC	0	0	0	0	0	0.00 %
03124 Employment Trng Grants	0	0	0	0	0	0.00 %
03128 L & I Federal Funding	0	0	0	0	0	0.00 %
03130 Coal Mine Safety	0	0	0	0	0	0.00 %
03131 OSHA Stat Prgm Fed.St Sdy	0	0	0	0	0	0.00 %
03194 Research/Analysis CRN	0	0	0	0	0	0.00 %
03195 On-Site Consultation	0	0	0	0	0	0.00 %
03278 UI PENALTY & INTEREST	0	0	0	0	0	0.00 %
03297 Labor And Industry Veteran Gra	0	0	0	0	0	0.00 %
03322 MT Community Service FSR	0	0	0	0	0	0.00 %
03682 Wagner Peyser	0	0	0	0	0	0.00 %
03692 Alien Labor Certification(ALC)	0	0	0	0	0	0.00 %
03693 Wrk Opportunities Tx Crdt/WOTC	0	0	0	0	0	0.00 %
03694 Trade Adjustment Assist/NAFTA	0	0	0	0	0	0.00 %
03954 UI Administrative Grants	0	0	0	0	0	0.00 %

Federal Special Total	\$0	\$0	\$0	\$0	0.00 %
06546 Commissioners Office/CSD	0	0	0	0	0.00 %
06552 Admin Services	0	0	0	0	0.00 %
06568 Technical Services	0	21,343,141	0	21,343,141	100.00 %
Proprietary Total	\$0	\$21,343,141	\$0	\$21,343,141	100.00 %
Total All Funds	\$0	\$21,343,141	\$0	\$21,343,141	

HB 2

The legislature approved elimination over \$8.0 million in HB 2 funding annually for this program and shifted the funding to a proprietary rate. In addition, proprietary rates that were previously included in the Director's Office are now part of the Technology Services Division. This makes up the difference between the HB 2 expenditures of \$16.0 million and the revenues of \$21.3 million shown in the table above.

Proprietary Rates

The legislature established a proprietary rate for this function. This is discussed further in the "Proprietary Rate" section of the narrative.

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	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	42,941	43,653	86,594	0.00 %	8,186,735	8,226,177	16,412,912	0.00 %
New Proposals	(42,941)	(43,653)	(86,594)	0.00 %	(8,186,735)	(8,226,177)	(16,412,912)	0.00 %
Total Budget	\$0	\$0	\$0		\$0	\$0	\$0	

The changes adopted by the legislature reflect the reorganization of information technology services and the move from HB 2 to a proprietary rate.

Present Law Adjustments

The "Present Law Adjustments" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

	Fiscal 2016					Fiscal 2017				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments										
DP 515 - State Share Health Insurance	0.00	180	9,908	5,950	16,038	0.00	180	9,908	5,950	16,038
DP 527 - Inflation/Deflation Adjustment	0.00	(1)	(116)	(77)	(194)	0.00	(1)	(117)	(77)	(195)
DP 529 - Longevity and Other adjustments	0.00	(619)	(34,028)	(20,436)	(55,083)	0.00	(619)	(34,030)	(20,436)	(55,085)
DP 530 - Reorganization	0.00	40,708	5,938,838	3,513,023	9,492,569	0.00	40,708	5,938,838	3,513,023	9,492,569
DP 550 - Motor Pool Adjustment	0.00	0	21	0	21	0.00	0	21	0	21
DP 620 - Operating Cost Adjustments	0.00	2,673	(1,188,861)	(80,428)	(1,266,616)	0.00	3,385	(1,158,995)	(71,561)	(1,227,171)
Grand Total All Present Law Adjustments	0.00	\$42,941	\$4,725,762	\$3,418,032	\$8,186,735	0.00	\$43,653	\$4,755,625	\$3,426,899	\$8,226,177

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 527 - Inflation/Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 529 - Longevity and Other adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 530 - Reorganization -

The legislature adopted the reorganization of the information technology services from each of the divisions to the Technology Services Division within the department. This included transfers of \$40,708 in general fund, \$5,938,838 in state special revenue, \$3,513,023 in federal funds, and 33.00 FTE in each year of the biennium.

DP 550 - Motor Pool Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 620 - Operating Cost Adjustments -

The legislature adopted operating cost adjustments for the division.

New Proposals

The "New Proposals" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

New Proposals	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 606001 - TSD Funding Switch	(33.00)	(42,941)	(4,725,762)	(3,418,032)	(8,186,735)	(33.00)	(43,653)	(4,755,625)	(3,426,899)	(8,226,177)
Total	(33.00)	(\$42,941)	(\$4,725,762)	(\$3,418,032)	(\$8,186,735)	(33.00)	(\$43,653)	(\$4,755,625)	(\$3,426,899)	(\$8,226,177)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 606001 - TSD Funding Switch -

The legislature provided authority for the Technology Services Division to fund its operations through proprietary funding establishing rates for this function within the agency.

Other Issues

Technical Services - 06568

Program Description

The division provides technical services, network services, help desk, project management, and application services including computer programming and database management.

Proprietary Rates

The legislature adopted the rates as shown in the following figure.

Requested Rates for Internal Service Funds				
Fee/Rate Information				
	Actual FY14	Budgeted FY15	Budgeted FY16	Budgeted FY17
Fee Description:				
Requested Direct Rate			84	84
Requested Indirect Rate	192	192	256	256
Requested Enterprise Rate			964,715	968,791
Requested Direct Actuals			\$ 4,102,160	\$ 4,107,207

The rates approved by the legislature are the maximum the program may charge during the biennium. They are not the rates the program must charge.