

**Program Budget Comparison**

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	4.00	4.00	4.00	4.00	4.00	4.00	0.00	0.00%
Personal Services	290,508	278,634	303,945	304,042	569,142	607,987	38,845	6.83%
Operating Expenses	52,696	51,057	107,762	81,240	103,753	189,002	85,249	82.17%
<b>Total Costs</b>	<b>\$343,204</b>	<b>\$329,691</b>	<b>\$411,707</b>	<b>\$385,282</b>	<b>\$672,895</b>	<b>\$796,989</b>	<b>\$124,094</b>	<b>18.44%</b>
General Fund	343,204	329,691	411,707	385,282	672,895	796,989	124,094	18.44%
<b>Total Funds</b>	<b>\$343,204</b>	<b>\$329,691</b>	<b>\$411,707</b>	<b>\$385,282</b>	<b>\$672,895</b>	<b>\$796,989</b>	<b>\$124,094</b>	<b>18.44%</b>

**Program Description**

The Centralized Services Program provides business services to all programs within the Governor's Office. Services include payroll and personnel, accounting, central asset management and computer replacement, data processing, and budget preparation and monitoring for the entire office.

**Program Highlights**

<b>The Centralized Services Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The budget proposal is higher than the 2013 biennium primarily because:                             <ul style="list-style-type: none"> <li>• Personal services are recommended to be increased by 6.8% as a result of pay increases amounting to an average of 5.3%, and the reclassification of one FTE that increased the pay rate by 35.5%</li> </ul> </li> <li>◆ Operating expenses would increase by about half, which is related to funding the agency PDC trainings in this program</li> </ul>

**Program Discussion**

The executive budget request for the Centralized Services Division in the 2015 biennium would be increased by 18.4% from the 2013 biennium. Most of the change results from new proposals that would provide computer replacement and centralize the new fixed cost for the Department of Administration Professional Development Center (PDC) training courses for the entire agency within the program. Over 76.2% of the Centralized Services Program budget is personal services. The program includes the agency's two information technology staff and one fiscal/budget staff. Three of the staff received pay raises in December of FY 2012 and the fourth staff member was reclassified, receiving a sizable pay rate increase. The 6.8% personal services increase requested in the budget is related to these actions.

**Funding**

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Governor's Office Funding by Source of Authority 2015 Biennium Budget - Centralized Services Division						
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference Category
General Fund	\$796,989	\$0	\$0	\$796,989	100.0%	
Total All Funds	\$796,989	\$0	\$0	\$796,989	100.0%	
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>			

The Central Services Program is entirely funded with general fund.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	343,204	343,204	686,408	86.13%	343,204	343,204	686,408	86.13%
Statewide PL Adjustments	40,640	2,165	42,805	5.37%	40,640	2,165	42,805	5.37%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	27,863	39,913	67,776	8.50%	27,863	39,913	67,776	8.50%
<b>Total Budget</b>	<b>\$411,707</b>	<b>\$385,282</b>	<b>\$796,989</b>		<b>\$411,707</b>	<b>\$385,282</b>	<b>\$796,989</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				26,102					26,203
Vacancy Savings				(12,665)					(12,669)
Inflation/Deflation				3					5
Fixed Costs				27,200					(11,374)
<b>Total Statewide Present Law Adjustments</b>		<b>\$40,640</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,640</b>	<b>\$2,165</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,165</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$40,640</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,640</b>	<b>\$2,165</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,165</b>

**New Proposals**

New Proposals											
-----Fiscal 2014-----											
-----Fiscal 2015-----											
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 102 - Computer Equipment Replacement	06	0.00	26,000	0	0	26,000	0.00	38,050	0	0	38,050
DP 6101 - Professional Development Center Fee Allocation	06	0.00	1,863	0	0	1,863	0.00	1,863	0	0	1,863
<b>Total</b>	<b>0.00</b>	<b>\$27,863</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,863</b>	<b>0.00</b>	<b>\$39,913</b>	<b>\$0</b>	<b>\$0</b>	<b>\$39,913</b>	

DP 102 - Computer Equipment Replacement - The executive requests replacement costs for the computer equipment used within the Governor's Office but not included in the base budget. The program has implemented a five year replacement schedule for such equipment.

<b>LFD COMMENT</b>	<u>Actions of the 2011 Legislature</u>
	In the 2011 Legislative session, the Centralized Services Division made a request for computer replacement that was similar to DP 102. The legislature chose to make the request a one-time-only appropriation.

DP 6101 - Professional Development Center Fee Allocation - The executive requests an increase for training services purchased from the Professional Development Center (PDC) of the Department of Administration. This request reflects the difference between the amount paid in the base for PDC services and a fixed cost allocation based on agency FTE counts. Starting in the 2015 biennium and beyond, the executive recommends funding the PDC as a fixed cost item. For a further discussion, see the narrative for the Department of Administration.