

GOVERNMENTAL OPERATIONS

Agency 105

Office of Financial Management

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2007-09 Expenditure Authority	324.1	47,498	86,677	134,175
Supplemental Changes				
Business Outreach	.7	175		175
Agricultural Pilot Program				
AmeriCorps Program			361	361
Citizen Advisory Board Initiative 960 Implementation	1.5	359		359
Online Recruiting Service		18		18
Office of Health Resources Strategy				
Pupil Transportation Study				
Public Records Committee Workload		61		61
Pension Plan 1 COLA Funding		8	2	10
PEBB Rate Reduction		(337)	(222)	(559)
Subtotal - Supplemental Changes	2.2	284	141	425
Total Proposed Budget	326.3	47,782	86,818	134,600
Difference	2.2	284	141	425
Percent Change	0.7%	0.6%	0.2%	0.3%

SUPPLEMENTAL CHANGES

Business Outreach

Ongoing funding is provided for a Business Outreach position in the Governor's Executive Policy Office. The primary responsibilities of the position will be to provide a liaison between the Governor's Office and Washington businesses.

Agricultural Pilot Program

The current appropriation for agricultural proof-of-concept projects at the Ruckelshaus Center does not match the timing of the selected pilot projects. Fiscal Year 2008 administrative and project funds of \$62,000 are moved to Fiscal Year 2009.

AmeriCorps Program

Federal funds available during the 2005-07 Biennium were not fully expended. Additional federal expenditure authority is provided so that those funds can be used in the current biennium. (General Fund-Federal)

Citizen Advisory Board

The biennial budget for the Citizen Advisory Board (CAB) assumed that the CAB would meet monthly from July 2007 through November 2008. The current workplan assumes the CAB will begin meeting in April 2008 and will produce performance recommendations and other work products through June 2009. Funding is shifted from Fiscal Year 2008 to Fiscal Year 2009 to reflect when funds will be used.

GOVERNMENTAL OPERATIONS

Initiative 960 Implementation

A combination of ongoing and one-time funding is provided for staff and database development costs needed to implement Initiative 960.

Online Recruiting Service

To support the state's online recruitment tool (E-Recruiting), additional funds are provided for a one-time charge from the Department of Personnel. This will improve the ability of agencies to manage their recruitment and hiring processes as required by the Personnel System Reform Act of 2002.

Office of Health Resources Strategy

The 2007-09 budget provided funding for the Office of Financial Management (OFM) to establish statewide health planning policies and goals. Data collection and review costs of \$336,000 are moved from Fiscal Year 2008 to Fiscal Year 2009 to better reflect how funds will be spent. There is no net change in costs.

Pupil Transportation Study

The 2007-09 budget provided funding for OFM to contract for the development of at least two options for a new K-12 pupil transportation funding formula. Due to the timing of travel expenses and contract deliverables, \$25,000 of the appropriation is shifted from Fiscal Year 2009 to Fiscal Year 2008. There is no net change to the total funding for this study.

Public Records Committee Workload

Chapter 198, Laws of 2007, created the Public Records Exemptions Accountability Committee. The committee must meet at least quarterly and provide recommendations on the repeal or amendment of any public records exemption to the Governor, Attorney General, and appropriate legislative committees. The legislation requires the Office of Financial Management to support the committee. Ongoing funding is provided for travel and meeting expenses.

Pension Plan 1 COLA Funding

Funding was provided in the 2007-09 budget for the additional employer contributions to retirement systems required by modifications to the eligibility criteria for the uniform COLA in the Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) in Senate Bill 5175. This item moves that funding from the State Employee Compensation Adjustments agency into individual agency budgets. (General Fund-State, other funds)

PEBB Rate Reduction

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).