

IDAHO

2019

LEGISLATIVE BUDGET BOOK

FISCAL YEAR 2020



A PUBLICATION
OF THE LEGISLATIVE SERVICES OFFICE
BUDGET AND POLICY ANALYSIS

FIRST REGULAR SESSION • SIXTY-FIFTH LEGISLATURE

First Regular Session, Sixty-Fifth Legislature

Idaho Legislative Budget Book For Fiscal Year 2020

This **Legislative Budget Book** is the primary reference document used by the Joint Senate Finance and House Appropriations Committee, in setting the Idaho State Budget. The publication is also available online at:

<https://legislature.idaho.gov/lso/bpa/pubs/>

Section I of this document contains statewide summary reports, charts, graphs and historical tables.

Section II provides a detailed description of agency budget requests for the Executive Branch, which includes twenty executive departments and the seven offices for statewide elected officials, the Judicial Branch and the Legislative Branch. Also included is the Governor's recommendation that provides the Legislature with a side-by-side comparison of each agency's budget request and the Governor's budget recommendation in a single, inclusive document. Policy oversight is emphasized in this document by grouping and displaying minor programs at the agency or divisional level, and clearly displaying and comparing the key policy budget decisions that need to be made. Detail objects of expenditures (personnel costs, operating expenditures, capital outlay, and trustee and benefit payments) are de-emphasized to allow the use of larger fonts with fewer pages.

Supporting Agency Profile Documents include other analyses intended to lend context to the discussion of each agency's budget.

A comprehensive database, and numerous working files, also support the information contained in this document. These enable the Legislature's Budget and Policy Analysis staff to provide an extensive amount of fiscal information to legislative leadership, members of JFAC, germane committees and the Legislature as a whole.

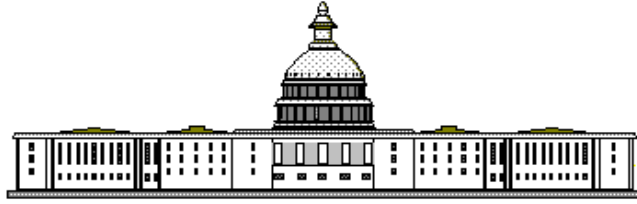
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Serving Idaho's Citizen Legislature

Joint Senate Finance House Appropriations Committee



FIRST REGULAR SESSION OF THE SIXTY-FIFTH IDAHO LEGISLATURE

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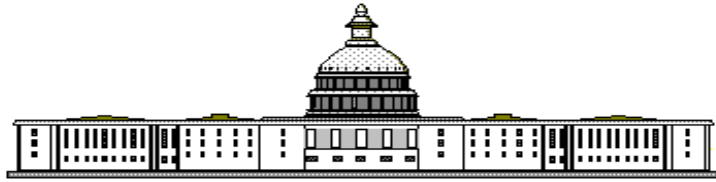
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Budget and Policy Analysis

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Idaho Legislative Budget Book

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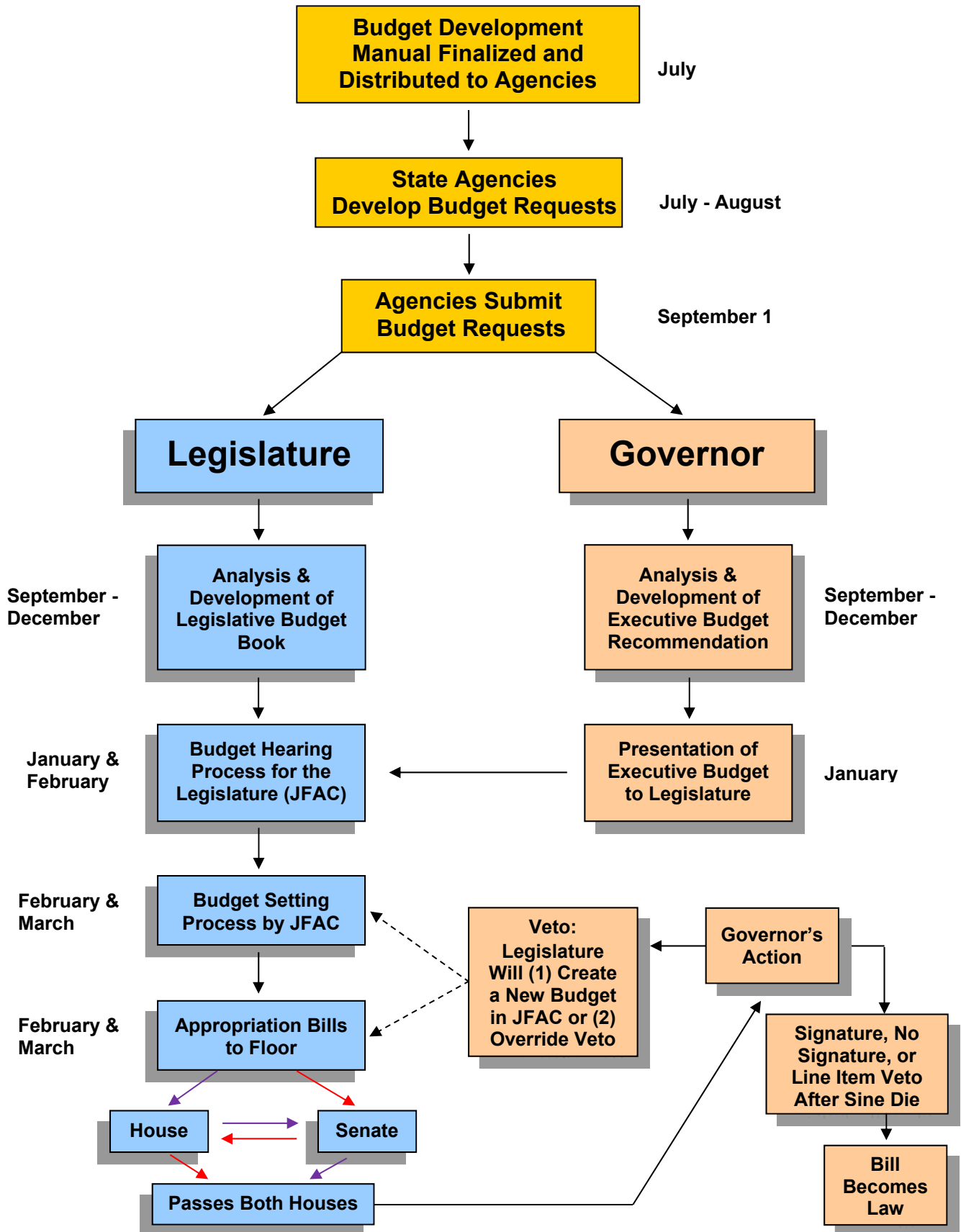
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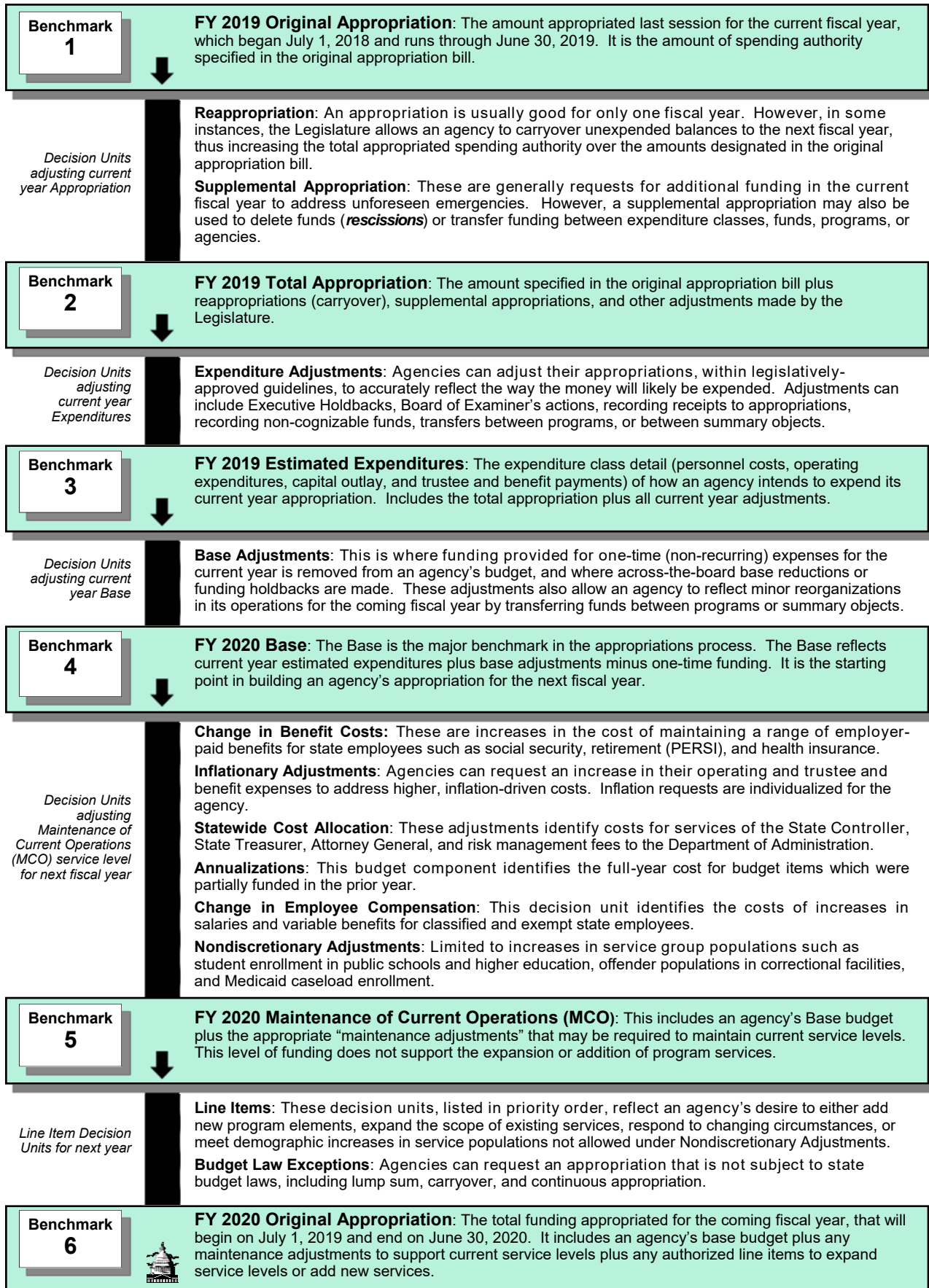
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Annual State of Idaho Budget Process



The Idaho Decision Unit (DU) Budget Model



General Fund Summary

FISCAL YEAR 2019

<u>REVENUES</u>	Sine Die, Orig. Forecast, Year-End Adjustments, and Supplemental Requests	Governor's Recommendation (Jan. 2019)
1. Beginning Cash Balance	\$118,358,300	\$118,358,300
2. Reappropriation	2,758,100	2,758,100
3. After Year-End Reversion (Health & Welfare)	6,050,500	6,050,500
4. Sub-Total Beginning Balance	127,166,900	127,166,900
5. DFM Orig Rev Forecast of 2.5% at Sine Die	3,823,128,000	
6. DFM Jan. 2019 Revised Est (0.5% above FY18 actual)		3,750,320,500
7. 2018 Legislation with Fiscal Impact*	(153,872,200)	
8. Sub-Total Revenues	\$3,669,255,800	\$3,750,320,500
9. 2018 One-Time Transfers**	(89,774,200)	(89,774,200)
10. 2019 One-Time Transfer from Consumer Protection Fund		1,200,000
11. Deficiency Warrants	(167,000)	(167,000)
12. Sub-Total Transfers	(89,941,200)	(88,741,200)
13. NET REVENUES (Lines 4+8+12)	\$3,706,481,500	\$3,788,746,200
<u>EXPENDITURES</u>		
14. FY 2019 Original Appropriation	\$3,652,724,800	\$3,652,724,800
15. Reappropriation	2,758,100	2,758,100
16. Requested Supplemental Appropriations and Rescissions:		
17. Education	19,523,900	375,000
18. Health and Human Services (Medicaid)	41,897,400	32,506,700
19. Law and Justice	1,392,600	2,318,800
20. Economic Development	298,100	0
21. General Government	5,254,700	523,100
22. Rescission - Graduate Medical Education	(107,800)	(107,800)
23. Sub-Total Supplementals and Rescissions	68,258,900	35,615,800
24. TOTAL FY 2019 APPROPRIATION	\$3,723,741,800	\$3,691,098,700
25. FY 2019 ESTIMATED ENDING BALANCE	(\$17,260,300)	\$97,647,500

*2018 Legislation: H361, H365, H451, H453, H463, H492, H493, H513, H514, H515, H599, H643, H675

**2018 Cash Transfers: H612, H669, H677, H691, H700, H715, S1349

General Fund Summary

FISCAL YEAR 2020

<u>REVENUES</u>	<u>Agency Request</u>	<u>Governor's Recommendation</u>
1. Estimated Beginning Balance	\$97,647,500	\$97,647,500
2. DFM Orig Rev Est (8.2% increase from FY2019 forecast)	4,057,429,900	4,057,429,900
3. Legislation - Exempt Copies of Public Records from Sales Tax		(5,000)
4. Legislation - Annual Tax Conformity		(320,000)
5. Legislation - First-Time Homebuyers Savings Account		(4,650,600)
6. Total Revenues and Beginning Cash Balance	\$4,155,077,400	\$4,150,101,800
7. Transfer to Help America Vote Act (HAVA)		(161,500)
8. Transfer to Technology Infrastructure Stabilization Fund (TISF)		(14,713,500)
9. Transfer to Permanent Building Fund		(21,504,800)
10. Transfer to STEM Education Fund		(1,000,000)
11. Transfer to Wolf Control Board		(200,000)
12. Transfer to Public Defense Commission		(11,000,000)
13. Transfer to Police Officers Standards and Training Academy (POST) Fund		(1,030,800)
14. Transfer to Disaster Emergency Fund		(2,000,000)
15. Transfer to Public Education Stabilization Fund		(8,600,000)
16. Transfer to Fire Suppression Deficiency Fund		(20,000,000)
17. Sub-Total Transfers		(80,210,600)
18. NET REVENUES AVAILABLE (line 6 + 17)	\$4,155,077,400	\$4,069,891,200
<u>EXPENDITURES</u>		
19. FY 2020 Base Budget	3,675,253,800	3,670,198,400
Maintenance Costs:		
20. Benefit Changes	8,010,600	1,341,800
21. Inflationary Adjustments	2,411,700	951,600
22. Replacement Items	24,662,600	8,532,800
23. Statewide Cost Allocation	2,776,900	2,775,900
24. Annualizations	2,892,000	2,718,200
25. Change in Employee Compensation	7,021,900	20,476,200
26. Public Schools CEC Classified & Administrators	2,448,800	7,341,700
27. Military Compensation	61,700	0
28. Nondiscretionary Adjustments	129,998,200	128,887,600
29. Endowment Adjustments	(1,865,000)	(1,795,200)
30. FY 2020 Program Maintenance Subtotal	\$3,853,673,200	\$3,841,429,000
Line Item Requests (Less \$54.9M Cash Transfers to Ded. Funds)		
31. Education	\$90,668,200	\$37,053,200
32. Health and Human Services	28,810,600	12,813,600
33. Law and Justice	40,135,700	7,883,000
34. Natural Resources	1,928,700	1,744,600
35. Economic Development	7,650,600	(4,764,700)
36. General Government	5,898,300	1,169,400
37. Omnibus Decisions (Governor's Technology Initiatives)	0	(24,900)
38. FY 2020 Line Items (Less \$54.9M Transfers) Subtotal	\$175,092,100	\$55,874,200
39. FY 2020 Original Appropriation (line 30 + 38)	\$4,028,765,300	\$3,897,303,200
40. FY 2020 ESTIMATED ENDING BALANCE (line 18 - 39)	\$126,312,100	\$172,588,000
Percentage Increase Over FY 2019 Original Appropriation	10.3%	6.7%

General Fund Revenue Collections & Estimates

Source	Actual			
	FY 2013	FY 2014	FY 2015	FY 2016
Individual Income Tax	\$1,284,323,929	\$1,329,264,582	\$1,470,856,952	\$1,513,168,519
% change	6.5%	3.5%	10.7%	2.9%
Corporate Income Tax	198,659,090	188,291,424	215,402,876	186,869,097
% change	6.2%	(5.2%)	14.4%	(13.2%)
Sales Tax	1,109,828,539	1,145,731,785	1,218,769,691	1,303,027,519
% change	8.0%	3.2%	6.4%	6.9%
Cigarette Tax	13,077,000	3,695,604	3,337,597	7,899,996
Tobacco Tax	10,013,026	9,883,755	10,504,522	11,595,623
Beer Tax	1,927,751	1,890,918	1,911,292	1,934,403
Wine Tax	3,908,678	4,134,639	4,237,620	4,481,223
Liquor Distribution	<u>20,925,004</u>	<u>24,210,000</u>	<u>25,480,000</u>	<u>25,890,004</u>
Product Taxes subtotal	49,851,459	43,814,916	45,471,031	51,801,249
% change	15.5%	(12.1%)	3.8%	13.9%
Kilowatt-Hour Tax	1,919,852	1,839,874	1,917,809	1,876,626
Mine License	531,466	518,734	69,318	(247,401)
State Treasurer Int.	355,696	(365,532)	(1,571,264)	324,425
Judicial Branch	4,591,958	4,355,631	6,141,488	6,251,398
Insurance Prem. Tax	55,621,675	59,356,420	61,747,055	72,123,281
State Police	127,729	0	(3,171)	0
Secretary of State	2,537,965	2,701,683	2,764,659	2,781,488
Unclaimed Property	6,997,488	5,654,952	6,293,300	9,928,448
Estate Tax	63,000	303,825	(1)	276
Other	<u>34,875,345</u>	<u>33,961,030</u>	<u>28,905,769</u>	<u>35,789,042</u>
Misc. Revenue Subtotal	107,622,174	108,326,617	106,264,962	128,827,583
% change	(13.0%)	0.7%	(1.9%)	21.2%
Total General Fund Collections	\$2,750,285,200	\$2,815,429,300	\$3,056,765,500	\$3,183,694,000
% change	6.3%	2.4%	8.6%	4.2%
Expenditures	2,693,784,300	2,767,974,900	2,880,066,900	3,021,143,300
% change	7.5%	2.8%	4.0%	4.9%
Collections-Expenditures	56,500,900	47,454,400	176,698,600	162,550,700
Beginning Balance:	139,052,900	82,784,900	53,574,800	73,291,600
Net Transfers In (Out):	(112,766,200)	(78,250,800)	(185,326,500)	(159,268,900)
Adjustments:	(2,700)	1,586,300	(400)	200
Total Ending Balance	82,784,900	53,574,800	44,946,500	76,573,600

Sources: Legislative Fiscal Reports and the Division of Financial Management

General Fund Revenue Collections & Estimates

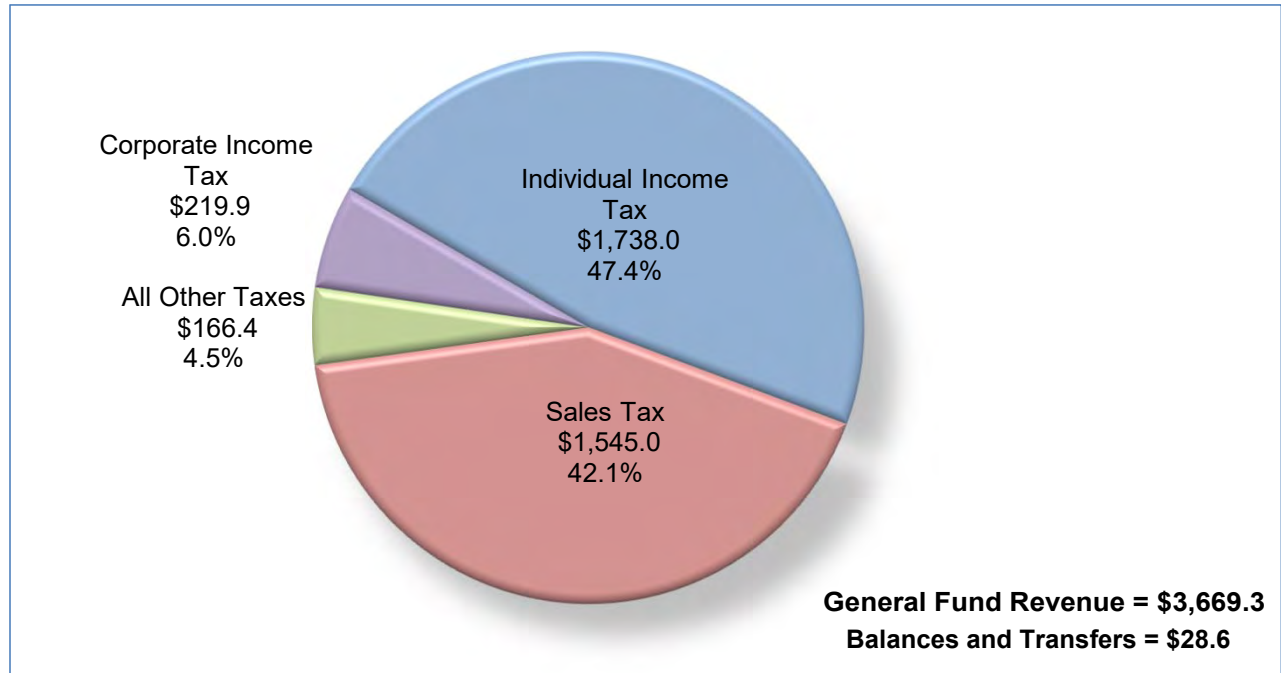
Source			Governor's Forecast	
	FY 2017	FY 2018	FY 2019	FY 2020
Individual Income Tax	\$1,651,196,217	\$1,828,281,687	\$1,773,800,300	\$1,954,258,600
% change	9.1%	10.7%	(3.0%)	10.2%
Corporate Income Tax	214,021,077	238,708,455	223,180,900	256,323,000
% change	14.5%	11.5%	(6.5%)	14.8%
Sales Tax	1,382,418,158	1,490,015,437	1,575,564,000	1,667,036,000
% change	6.1%	7.8%	5.7%	5.8%
Cigarette Tax	9,974,999	7,305,804	10,387,800	7,939,000
Tobacco Tax	12,651,918	13,253,406	14,176,600	14,581,400
Beer Tax	1,935,200	1,965,451	1,972,200	1,989,300
Wine Tax	4,651,593	4,814,685	5,043,100	5,323,800
Liquor Distribution	<u>28,879,996</u>	<u>30,960,004</u>	<u>33,235,000</u>	<u>33,866,200</u>
Product Taxes subtotal	58,093,706	58,299,350	64,814,700	63,699,700
% change	12.1%	0.4%	11.2%	(1.7%)
Kilowatt-Hour Tax	2,107,504	2,592,173	2,200,000	2,000,000
Mine License	50,048	24,247	100,000	125,000
State Treasurer Int.	(147,382)	4,654,493	6,389,000	12,389,800
Judicial Branch	8,443,898	9,183,950	7,851,600	7,885,800
Insurance Prem. Tax	75,423,198	70,485,925	67,885,500	68,416,500
State Police	297,753	(270)	0	0
Secretary of State	2,926,547	3,483,937	3,684,400	3,884,900
Unclaimed Property	10,369,301	8,506,529	9,000,000	9,000,000
Estate Tax	0	0	0	0
Other	<u>43,263,563</u>	<u>17,370,441</u>	<u>15,850,200</u>	<u>12,410,700</u>
Misc. Revenue Subtotal	142,734,430	116,301,425	112,960,700	116,112,700
% change	10.8%	(18.5%)	(2.9%)	2.8%
Total General Fund Collections	\$3,448,463,600	\$3,731,606,400	*\$3,750,320,500	*\$4,057,429,900
% change	8.3%	8.2%	0.5%	8.2%
Expenditures	3,260,075,300	3,469,405,300	3,691,098,700	3,897,303,200
% change	7.9%	6.4%	6.4%	5.6%
Collections-Expenditures	188,388,300	262,201,100	59,221,800	160,126,700
Beginning Balance:	76,573,600	109,420,900	127,166,900	97,647,500
Net Transfers In (Out):	(155,496,100)	(253,263,700)	(88,741,200)	(80,210,600)
Adjustments:	(48,000)	0	0	(4,975,600)
Total Ending Balance	109,417,800	118,358,300	\$97,647,500	\$172,588,000

*Total Collections Forecasts are rounded

FY 2019 General Fund Revenue & Appropriations

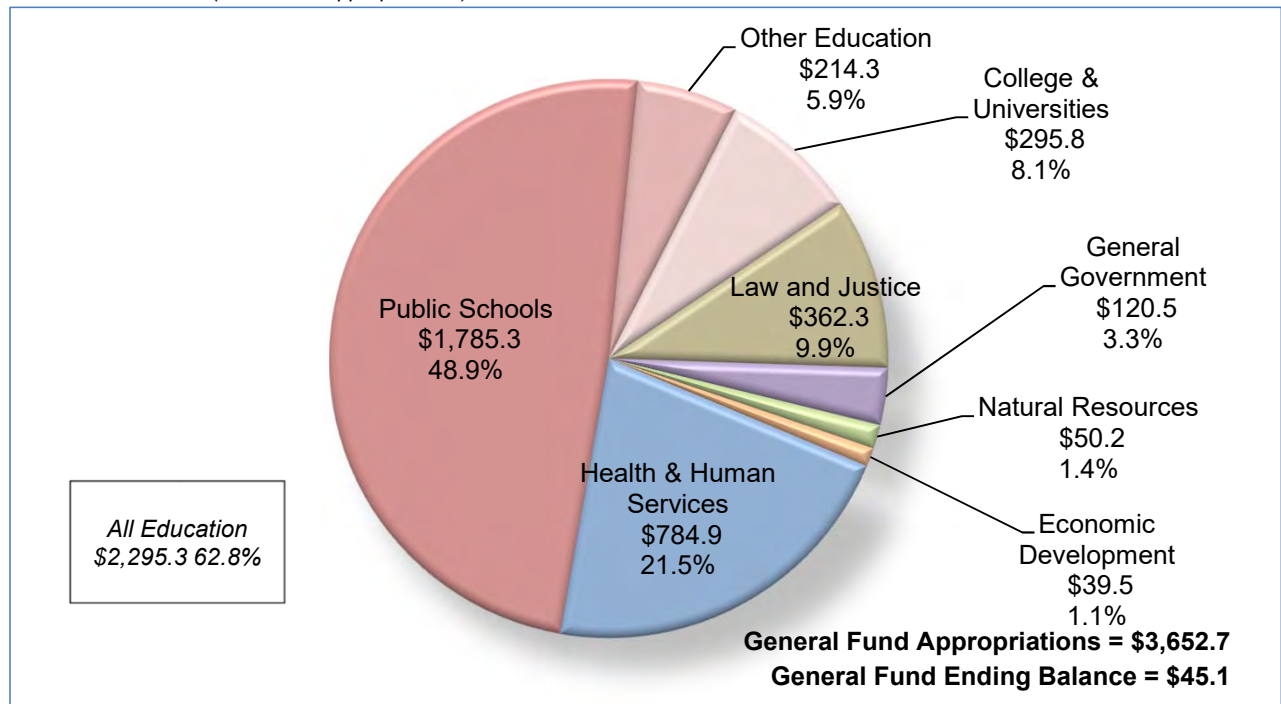
"Where the money comes from . . ."

Dollars In Millions (Percent of Revenue)



"Where the money goes . . ."

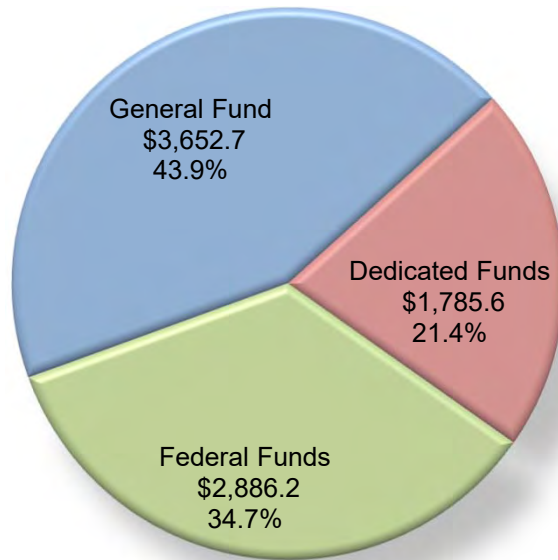
Dollars In Millions (Percent of Appropriations)



FY 2019 All Appropriations by Fund & Function

"Where the money comes from . . ."

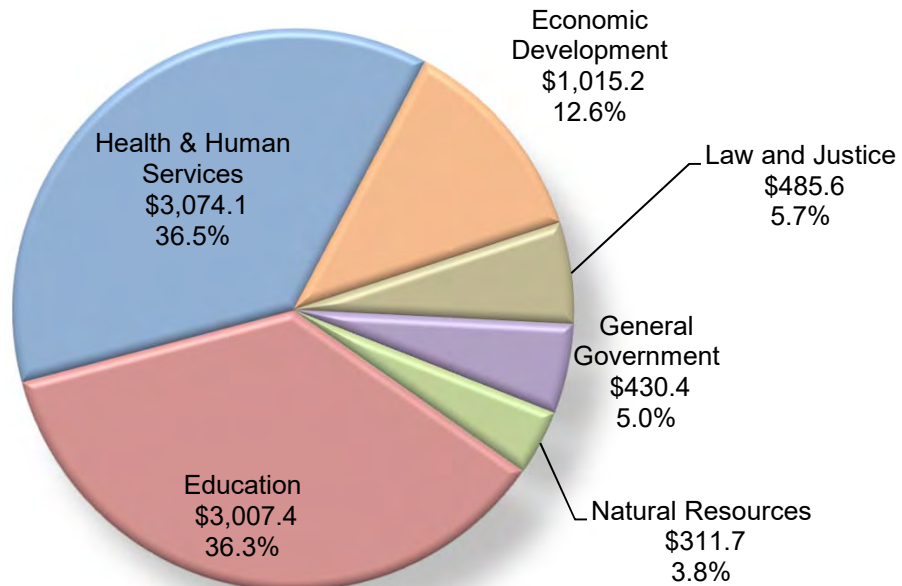
Dollars In Millions (Percent of Revenue)



Appropriations by Fund = \$8,324.5

"Where the money goes . . ."

Dollars In Millions (Percent of Appropriations)



Appropriations by Function = \$8,324.5

FY 2020 Agency Request by Decision Unit

Decision Unit	FTP	Gen	Ded	Fed	Total		
FY 2019 Original Appropriation	19,599.87	3,652,724,800	1,785,577,000	2,886,212,500	8,324,514,300		
Reappropriation	0.00	2,758,100	492,509,600	155,610,400	650,878,100		
Supplementals	12.08	68,366,700	14,440,500	150,092,100	232,899,300		
Rescissions	0.00	(107,800)	0	(267,200)	(375,000)		
Deficiency Warrants	0.00	167,000	0	0	167,000		
Cash Transfers & Adjustments	0.00	(167,000)	0	0	(167,000)		
FY 2019 Total Appropriation	19,611.95	3,723,741,800	2,292,527,100	3,191,647,800	9,207,916,700		
Noncognizable Funds and Transfers	104.97	0	23,934,500	57,707,400	81,641,900		
Expenditure Adjustments	0.00	0	(4,453,800)	0	(4,453,800)		
FY 2019 Estimated Expenditures	19,716.92	3,723,741,800	2,312,007,800	3,249,355,200	9,285,104,800		
Removal of Onetime Expenditures	(1.00)	(48,488,000)	(751,090,300)	(371,235,900)	(1,170,814,200)		
Base Adjustments	(5.51)	0	(20,381,900)	(13,069,300)	(33,451,200)		
FY 2020 Base	19,710.41	3,675,253,800	1,540,535,600	2,865,050,000	8,080,839,400		
Benefit Costs	0.00	8,010,600	1,247,900	753,600	10,012,100		
Inflationary Adjustments	0.00	2,411,700	3,245,700	11,400	5,668,800		
Replacement Items	0.00	24,662,600	81,764,700	2,634,300	109,061,600		
Statewide Cost Allocation	0.00	2,776,900	2,084,600	696,000	5,557,500		
Annualizations	1.42	2,892,000	63,000	0	2,955,000		
Change in Employee Compensation	0.00	7,021,900	5,248,800	2,242,700	14,513,400		
Public Schools Admin/Classified CEC	0.00	2,448,800	0	0	2,448,800		
Military Compensation	0.00	61,700	59,000	283,100	403,800		
Nondiscretionary Adjustments	0.00	129,998,200	4,589,800	60,802,300	195,390,300		
Endowment Adjustments	0.00	(1,865,000)	2,231,500	0	366,500		
FY 2020 Program Maintenance	19,711.83	3,853,673,200	1,641,070,600	2,932,473,400	8,427,217,200		
Line Items by Functional Area							
Education	34.94	90,668,200	55,000	2,249,400	92,972,600		
Health and Human Services	20.00	28,810,600	2,067,500	41,192,600	72,070,700		
Law and Justice	85.00	40,135,700	1,669,400	671,700	42,476,800		
Natural Resources	7.42	1,928,700	10,307,800	9,939,300	22,175,800		
Economic Development	20.05	7,650,600	56,537,000	62,974,900	127,162,500		
General Government	61.50	6,459,800	30,114,400	7,936,000	44,510,200		
Cash Transfers	0.00	(561,500)	(2,216,000)	0	(2,777,500)		
FY 2020 Original Appropriation	19,940.74	4,028,765,300	1,739,605,700	3,057,437,300	8,825,808,300		
Percent Change from Orig. Appropriation	1.7%	10.3%	(2.6%)	5.9%	6.0%		
Percent Change from Total Appropriation	1.7%	8.2%	(24.1%)	(4.2%)	(4.1%)		
FY 2020 Total Agency Request							
	FTP	Pers Costs	Oper Exp	Cap Out	T/B Pymts	Lump Sum	Total
General	9,516.75	869,898,400	297,332,600	12,934,300	878,525,400	1,909,471,000	3,968,161,700
OT	0.00	1,708,500	22,459,500	25,973,700	10,461,900	0	60,603,600
Fund Total:	9,516.75	871,606,900	319,792,100	38,908,000	888,987,300	1,909,471,000	4,028,765,300
Dedicated	8,384.62	623,514,300	413,087,500	137,539,400	308,277,900	101,576,300	1,583,995,400
OT	0.00	11,700	25,400,200	122,535,600	155,000	7,507,800	155,610,300
Fund Total:	8,384.62	623,526,000	438,487,700	260,075,000	308,432,900	109,084,100	1,739,605,700
Federal	2,039.37	273,728,300	232,471,100	264,888,200	1,902,870,800	264,115,000	2,938,073,400
OT	0.00	31,400	50,091,500	40,129,200	29,111,800	0	119,363,900
Fund Total:	2,039.37	273,759,700	282,562,600	305,017,400	1,931,982,600	264,115,000	3,057,437,300
Total:	19,940.74	1,768,892,600	1,040,842,400	604,000,400	3,129,402,800	2,282,670,100	8,825,808,300

FY 2020 Governor's Rec by Decision Unit

Decision Unit	FTP	Gen	Ded	Fed	Total		
FY 2019 Original Appropriation	19,599.87	3,652,724,800	1,785,577,000	2,886,212,500	8,324,514,300		
Reappropriation	0.00	2,758,100	492,509,600	155,610,400	650,878,100		
Supplementals	9.75	35,723,600	23,328,800	151,292,100	210,344,500		
Rescissions	0.00	(107,800)	0	(267,200)	(375,000)		
Deficiency Warrants	0.00	167,000	0	0	167,000		
Cash Transfers & Adjustments	0.00	(167,000)	0	0	(167,000)		
FY 2019 Total Appropriation	19,609.62	3,691,098,700	2,301,415,400	3,192,847,800	9,185,361,900		
Noncognizable Funds and Transfers	104.97	0	23,934,500	57,707,400	81,641,900		
Expenditure Adjustments	0.00	0	(4,453,800)	0	(4,453,800)		
FY 2019 Estimated Expenditures	19,714.59	3,691,098,700	2,320,896,100	3,250,555,200	9,262,550,000		
Removal of Onetime Expenditures	(1.00)	(20,900,300)	(761,182,500)	(371,235,900)	(1,153,318,700)		
Base Adjustments	(5.51)	0	(20,366,700)	(13,069,300)	(33,436,000)		
FY 2020 Base	19,708.08	3,670,198,400	1,539,346,900	2,866,250,000	8,075,795,300		
Benefit Costs	0.00	1,341,800	(3,609,400)	(1,461,800)	(3,729,400)		
Inflationary Adjustments	0.00	951,600	3,238,700	11,400	4,201,700		
Replacement Items	0.00	8,532,800	82,936,800	2,263,300	93,732,900		
Statewide Cost Allocation	0.00	2,775,900	1,998,500	695,800	5,470,200		
Annualizations	0.75	2,718,200	55,400	0	2,773,600		
Change in Employee Compensation	0.00	20,476,200	14,790,200	6,325,300	41,591,700		
Public Schools Admin/Classified CEC	0.00	7,341,700	0	0	7,341,700		
Nondiscretionary Adjustments	0.00	128,887,600	6,475,900	60,802,300	196,165,800		
Endowment Adjustments	0.00	(1,795,200)	2,082,300	0	287,100		
FY 2020 Program Maintenance	19,708.83	3,841,429,000	1,647,315,300	2,934,886,300	8,423,630,600		
Line Items by Functional Area							
Education	12.75	37,053,200	121,900	2,249,400	39,424,500		
Health and Human Services	12.00	12,813,600	18,046,100	208,656,000	239,515,700		
Law and Justice	33.00	8,913,800	7,722,200	650,500	17,286,500		
Natural Resources	6.42	21,744,600	9,638,600	9,936,000	41,319,200		
Economic Development	17.30	6,235,300	66,603,000	67,469,900	140,308,200		
General Government	49.50	24,035,700	44,696,400	7,951,400	76,683,500		
Omnibus Decisions	(13.00)	(24,900)	3,529,800	219,900	3,724,800		
Cash Transfers	0.00	(54,897,100)	(2,216,000)	0	(57,113,100)		
FY 2020 Original Appropriation	19,826.80	3,897,303,200	1,795,457,300	3,232,019,400	8,924,779,900		
Percent Change from Orig. Appropriation	1.2%	6.7%	0.6%	12.0%	7.2%		
Percent Change from Total Appropriation	1.1%	5.6%	(22.0%)	1.2%	(2.8%)		
FY 2020 Total Recommendation							
	FTP	Pers Costs	Oper Exp	Cap Out	T/B Pymts	Lump Sum	Total
General	9,403.96	869,273,800	275,390,100	12,373,300	834,724,900	1,878,665,400	3,870,427,500
OT	0.67	433,500	3,321,400	7,846,900	15,173,900	100,000	26,875,700
Fund Total:	9,404.63	869,707,300	278,711,500	20,220,200	849,898,800	1,878,765,400	3,897,303,200
Dedicated	8,384.50	625,998,200	414,678,200	139,014,400	330,037,700	101,576,300	1,611,304,800
OT	0.00	11,700	40,709,400	143,276,400	155,000	0	184,152,500
Fund Total:	8,384.50	626,009,900	455,387,600	282,290,800	330,192,700	101,576,300	1,795,457,300
Federal	2,037.67	276,101,400	232,019,900	264,888,200	2,073,599,800	264,115,000	3,110,724,300
OT	0.00	31,400	48,031,300	39,797,100	29,111,800	4,323,500	121,295,100
Fund Total:	2,037.67	276,132,800	280,051,200	304,685,300	2,102,711,600	268,438,500	3,232,019,400
Total:	19,826.80	1,771,850,000	1,014,150,300	607,196,300	3,282,803,100	2,248,780,200	8,924,779,900

FY 2019 Deficiency Warrants And Supplemental Requests

Func Area/Dept/Div	Request			Gov's Rec		
	FTP	General	Total	FTP	General	Total
Part A: Deficiency Warrants						
Economic Development						
Department of Agriculture						
1. Pest Control Deficiency Warrants	0.00	140,200	140,200	0.00	140,200	140,200
General Government						
Office of the Governor						
Military Division						
2. HazMat Deficiency Warrants	0.00	26,800	26,800	0.00	26,800	26,800
Total:	0.00	167,000	167,000	0.00	167,000	167,000

Part B: Supplementals

Education						
Public School Support						
Operations						
1. Keep Idaho Students Safe	0.00	18,500,000	18,500,000	0.00	0	0
Central Services						
2. Keep Idaho Students Safe	0.00	610,000	610,000	0.00	0	0
State Board of Education						
Health Education Programs						
3. FMR, Rural Training Track	1.50	375,000	375,000	1.50	375,000	375,000
4. FMR, Net Object Transfer	0.00	0	0	0.00	0	0
Superintendent of Public Instruction						
5. Crisis Communications Counselor	1.00	38,900	38,900	0.00	0	0
Health and Human Services						
Department of Health and Welfare						
Services for the Developmentally Disabled						
6. Various Health Federal Grants	0.00	0	(750,000)	0.00	0	(750,000)
Division of Medicaid						
7. FY 2018 Medicaid Held Payments	0.00	5,075,500	9,307,400	0.00	0	9,307,400
8. MMIS Contract Extensions	0.00	580,400	2,321,600	0.00	580,400	2,321,600
9. Hospital Cost Audit Fund Adjustment	0.00	16,556,100	0	0.00	16,556,100	0
10. Various Health Federal Grants	0.00	0	(700,000)	0.00	0	(700,000)
11. Increase in Utilization of Services	0.00	18,905,400	32,502,600	0.00	14,850,200	32,502,600
Public Health Services						
12. Various Health Federal Grants	6.00	0	5,550,000	6.00	0	5,550,000
13. Additional EMS Grants	0.00	0	300,000	0.00	0	300,000
Substance Abuse Treatment & Prevention						
14. Already Approved Contract Increase	0.00	780,000	780,000	0.00	520,000	520,000
Division of Welfare						
15. Various Health Federal Grants	0.00	0	(1,000,000)	0.00	0	(1,000,000)
Healthcare Policy Initiatives						
16. Various Health Federal Grants	0.00	0	(3,100,000)	0.00	0	(3,100,000)
17. Graduate Medical Education	0.00	(107,800)	(375,000)	0.00	(107,800)	(375,000)
Law and Justice						
Department of Correction						
County & Out-of-State Placement						
18. Population-Driven Costs	0.00	0	0	0.00	1,742,700	1,742,700
Correctional Alternative Placement						
19. Population-Driven Costs	0.00	0	0	0.00	0	0

FY 2019 Deficiency Warrants And Supplemental Requests

Func Area/Dept/Div	Request			Gov's Rec		
	FTP	General	Total	FTP	General	Total
Medical Services						
20. Population-Driven Costs	0.00	762,700	762,700	0.00	51,300	51,300
21. SICI North Dorm Conversion	0.00	629,900	629,900	0.00	524,800	524,800
Idaho State Police						
Racing Commission						
22. Hair Testing Rule	0.00	0	40,900	0.00	0	40,900
Natural Resources						
Department of Fish and Game						
23. Endangered Species Habitat Projects	0.00	0	1,825,100	0.00	0	1,825,100
Economic Development						
Industrial Commission						
24. Chiden Campus Relocation	0.00	0	967,900	0.00	0	847,400
Public Utilities Commission						
25. Chinden Campus Relocation	0.00	0	2,419,300	0.00	0	2,419,300
Self-Governing Agencies						
Division of Building Safety						
26. Fund Shift Between Programs	0.00	0	0	0.00	0	0
27. Receipt of Donations	0.00	0	30,000	0.00	0	30,000
28. DOT Grant	1.00	0	71,900	1.00	0	71,900
29. Damage Prevention Program	0.00	0	40,000	0.00	0	40,000
30. PUC Sub grant	0.00	0	44,700	0.00	0	44,700
Idaho State Historical Society						
31. Idaho State Museum	0.00	0	1,500,000	0.00	0	1,500,000
Idaho Commission for Libraries						
32. LiLI Contract Extension	0.00	54,000	54,000	0.00	0	0
33. Broadband Reimbursement	0.00	12,600	12,600	0.00	0	0
Medical Boards						
34. Database Upgrade Completion	0.00	0	178,500	0.00	0	178,500
35. Retirement Vacation Payout	0.00	0	20,600	0.00	0	20,600
Public Defense Commission						
36. Training Director	1.00	39,500	39,500	0.00	0	0
37. Public Defender Training	0.00	15,000	15,000	0.00	0	0
38. Extraordinary Litigation Costs	0.00	177,000	177,000	0.00	0	0
Division of Veterans Services						
39. Appropriation Adjust-Match Revenue	0.00	0	0	0.00	0	0
40. 4th Veterans Home Design Costs	0.00	0	0	0.00	0	800,000
Idaho Transportation Department						
Transportation Services						
41. D5 Headquarters Roof Replacement	0.00	0	330,000	0.00	0	330,000
Contract Construction & Right-of-Way Acquisition						
42. Strategic Initiatives Program Fund	0.00	0	62,160,300	0.00	0	62,160,300
43. FHWA Grant I-84 Projects	0.00	0	90,240,000	0.00	0	90,240,000
General Government						
Department of Administration						
44. Chinden Campus	1.00	0	0	1.00	0	0
45. Project Management Software	0.00	0	181,000	0.00	0	181,000
46. Postal Increase	0.00	0	87,800	0.00	0	87,800
Permanent Building Fund						
47. ISU Eames Complex	0.00	0	0	0.00	0	0
Office of the Governor						
Commission for the Blind and Visually Impaired						
48. Adaptive Aids & Appliances	0.00	0	15,000	0.00	0	15,000

FY 2019 Deficiency Warrants And Supplemental Requests

Func Area/Dept/Div	Request			Gov's Rec		
	FTP	General	Total	FTP	General	Total
Division of Human Resources						
49. CPM Personnel Reclassification	0.00	0	41,500	0.00	0	41,500
Office of Information Technology Services						
50. Moving Costs	0.00	0	0	0.00	0	282,000
STEM Action Center						
51. Approp for Private Contributions	0.00	0	1,000,000	0.00	0	1,000,000
Legislative Branch						
Legislative Services Office						
52. Capitol Renovation Costs	0.00	900,000	900,000	0.00	0	0
Redistricting Commission						
53. Redistricting Costs	0.00	45,000	45,000	0.00	0	0
Department of Revenue and Taxation						
Board of Tax Appeals						
54. New Lease - New Space	0.00	9,900	9,900	0.00	9,900	9,900
State Tax Commission						
55. Additional Moving Costs	0.00	740,000	740,000	0.00	500,000	500,000
56. LUMA Coordinator	0.33	21,600	25,500	0.00	0	0
57. Trailer to H492 of 2018	0.25	13,200	13,200	0.25	13,200	13,200
58. Property Tax Education	0.00	0	20,000	0.00	0	20,000
State Treasurer						
59. Treasurer's Office Relocation	0.00	3,525,000	3,525,000	0.00	0	0
Total:	12.08	68,258,900	232,524,300	9.75	35,615,800	209,969,500
Grand Total:	12.08	68,425,900	232,691,300	9.75	35,782,800	210,136,500

FTP All Funds Summary by Agency

	FY 2018 Actual	FY 2019 Orig App	FY 2020 Request	Chg From FY 2019 Orig	FY 2020 Gov's Rec	Chg From FY 2019
1 Education						
Public School Support						
Agricultural Research & Extension Service	301.44	320.34	348.68	28.34	343.11	22.77
College and Universities	4,558.31	4,680.80	4,756.72	75.92	4,753.54	72.74
Community Colleges						
Education, Office of the State Board of	31.25	34.25	38.25	4.00	35.25	1.00
Health Education Programs	25.80	30.15	40.65	10.50	36.65	6.50
Career Technical Education	582.96	580.26	585.26	5.00	582.26	2.00
Idaho Public Television	65.48	68.48	70.48	2.00	69.48	1.00
Special Programs	43.13	45.59	49.03	3.44	46.59	1.00
Superintendent of Public Instruction	142.00	142.00	143.00	1.00	142.00	
Vocational Rehabilitation	152.50	154.00	154.00		149.00	(5.00)
Total Education	5,902.87	6,055.87	6,186.07	130.20	6,157.88	102.01
2 Health and Human Services						
Catastrophic Health Care Program						
Health and Welfare, Department of	2,702.38	2,706.71	2,719.11	12.40	2,713.11	6.40
Medicaid, Division of	216.00	216.00	221.00	5.00	219.00	3.00
Public Health Districts						
State Independent Living Council	4.00	4.00	4.00		4.00	
Total Health and Human Services	2,922.38	2,926.71	2,944.11	17.40	2,936.11	9.40
3 Law and Justice						
Correction, Department of	2,024.85	2,039.85	2,097.85	58.00	2,058.85	19.00
Judicial Branch	334.00	353.00	362.00	9.00	362.00	9.00
Juvenile Corrections, Department of	413.00	414.00	417.00	3.00	414.00	
Police, Idaho State	588.85	600.85	617.85	17.00	607.85	7.00
Total Law and Justice	3,360.70	3,407.70	3,494.70	87.00	3,442.70	35.00
4 Natural Resources						
Environmental Quality, Department of	382.00	386.00	389.00	3.00	389.00	3.00
Fish and Game, Department of	565.00	569.00	569.00		569.00	
Land, Board of Commissioners	315.85	324.85	327.82	2.97	326.82	1.97
Parks and Recreation, Department of	170.44	172.44	174.19	1.75	174.19	1.75
Water Resources, Department of	160.00	163.00	163.00		163.00	
Total Natural Resources	1,593.29	1,615.29	1,623.01	7.72	1,622.01	6.72
5 Economic Development						
Agriculture, Department of	232.75	238.75	242.00	3.25	241.75	3.00
Commerce, Department of	43.00	43.00	43.00		43.00	
Finance, Department of	66.00	67.00	67.00		65.00	(2.00)
Industrial Commission	138.25	138.25	140.25	2.00	132.25	(6.00)
Insurance, Department of	76.50	76.50	76.50		71.50	(5.00)
Labor, Department of	700.00	681.58	681.58		681.58	
Public Utilities Commission	52.00	52.00	52.00		49.00	(3.00)
Self-Governing Agencies	773.70	782.70	799.50	16.80	787.00	4.30
Transportation Department, Idaho	1,648.00	1,648.00	1,648.00		1,648.00	
Total Economic Development	3,730.20	3,727.78	3,749.83	22.05	3,719.08	(8.70)
6 General Government						
Administration, Department of	140.00	113.00	125.00	12.00	125.00	12.00
Permanent Building Fund						
Attorney General	208.60	210.60	216.10	5.50	215.10	4.50
State Controller	95.00	95.00	95.00		95.00	
Governor, Office of the	761.55	852.92	895.92	43.00	928.92	76.00
Legislative Branch	73.00	73.00	73.00		73.00	
Lieutenant Governor	3.00	3.00	3.00		3.00	
Revenue and Taxation, Department of	460.00	464.00	478.00	14.00	453.00	(11.00)
Secretary of State	29.00	29.00	31.00	2.00	30.00	1.00
State Treasurer	26.00	26.00	26.00		26.00	
Total General Government	1,796.15	1,866.52	1,943.02	76.50	1,949.02	82.50
Statewide Total:	19,305.59	19,599.87	19,940.74	340.87	19,826.80	226.93

General Fund Request Comparison by Agency

	FY 2019 Approp	FY 2020 Request	Amount Change	Percent Change
1 Education				
Public School Support	1,785,265,900	1,927,558,900	142,293,000	8.0%
Agricultural Research & Extension Service	31,307,100	32,959,600	1,652,500	5.3%
College and Universities	295,763,200	323,768,300	28,005,100	9.5%
Community Colleges	46,126,600	50,313,700	4,187,100	9.1%
Education, Office of the State Board of	6,374,900	6,993,900	619,000	9.7%
Health Education Programs	18,714,500	22,524,800	3,810,300	20.4%
Career Technical Education	66,397,900	71,932,300	5,534,400	8.3%
Idaho Public Television	2,585,300	3,589,900	1,004,600	38.9%
Special Programs	19,242,200	22,274,100	3,031,900	15.8%
Superintendent of Public Instruction	14,909,800	15,163,600	253,800	1.7%
Vocational Rehabilitation	8,648,300	8,692,700	44,400	0.5%
Total Education	2,295,335,700	2,485,771,800	190,436,100	8.3%
2 Health and Human Services				
Catastrophic Health Care Program	9,999,700	20,000,500	10,000,800	100.0%
Health and Welfare, Department of	180,016,700	196,277,200	16,260,500	9.0%
Medicaid, Division of	585,221,400	680,983,900	95,762,500	16.4%
Public Health Districts	9,421,600	9,684,900	263,300	2.8%
State Independent Living Council	223,700	225,600	1,900	0.8%
Total Health and Human Services	784,883,100	907,172,100	122,289,000	15.6%
3 Law and Justice				
Correction, Department of	240,738,600	277,421,600	36,683,000	15.2%
Judicial Branch	47,055,600	50,346,600	3,291,000	7.0%
Juvenile Corrections, Department of	41,771,200	42,735,800	964,600	2.3%
Police, Idaho State	32,772,200	36,122,200	3,350,000	10.2%
Total Law and Justice	362,337,600	406,626,200	44,288,600	12.2%
4 Natural Resources				
Environmental Quality, Department of	20,461,700	22,365,500	1,903,800	9.3%
Fish and Game, Department of				
Land, Board of Commissioners	6,021,400	6,168,400	147,000	2.4%
Parks and Recreation, Department of	4,217,700	5,589,900	1,372,200	32.5%
Water Resources, Department of	19,502,100	19,942,000	439,900	2.3%
Total Natural Resources	50,202,900	54,065,800	3,862,900	7.7%
5 Economic Development				
Agriculture, Department of	14,506,100	14,968,500	462,400	3.2%
Commerce, Department of	5,800,900	5,845,900	45,000	0.8%
Finance, Department of				
Industrial Commission	300,000	300,000	0	0.0%
Insurance, Department of				
Labor, Department of	342,200	345,500	3,300	1.0%
Public Utilities Commission				
Self-Governing Agencies	18,553,600	26,069,800	7,516,200	40.5%
Transportation Department, Idaho				
Total Economic Development	39,502,800	47,529,700	8,026,900	20.3%
6 General Government				
Administration, Department of	6,582,900	6,786,700	203,800	3.1%
Permanent Building Fund				
Attorney General	23,639,800	24,165,300	525,500	2.2%
State Controller	10,951,200	10,970,600	19,400	0.2%
Governor, Office of the	24,180,400	28,769,600	4,589,200	19.0%
Legislative Branch	12,967,200	13,080,300	113,100	0.9%
Lieutenant Governor	177,600	181,000	3,400	1.9%
Revenue and Taxation, Department of	36,763,200	38,092,800	1,329,600	3.6%
Secretary of State	3,770,000	3,853,200	83,200	2.2%
State Treasurer	1,430,400	1,700,200	269,800	18.9%
Total General Government	120,462,700	127,599,700	7,137,000	5.9%
Statewide Total	3,652,724,800	4,028,765,300	376,040,500	10.3%

General Fund Recommendation Comparison by Agency

	FY 2019 Approp	FY 2020 Gov's Rec	Amount Change	Percent Change
1 Education				
Public School Support	1,785,265,900	1,891,364,400	106,098,500	5.9%
Agricultural Research & Extension Service	31,307,100	32,169,500	862,400	2.8%
College and Universities	295,763,200	304,280,700	8,517,500	2.9%
Community Colleges	46,126,600	47,368,200	1,241,600	2.7%
Education, Office of the State Board of	6,374,900	6,847,100	472,200	7.4%
Health Education Programs	18,714,500	21,280,100	2,565,600	13.7%
Career Technical Education	66,397,900	68,172,700	1,774,800	2.7%
Idaho Public Television	2,585,300	2,632,400	47,100	1.8%
Special Programs	19,242,200	26,472,100	7,229,900	37.6%
Superintendent of Public Instruction	14,909,800	15,030,500	120,700	0.8%
Vocational Rehabilitation	8,648,300	8,759,300	111,000	1.3%
Total Education	2,295,335,700	2,424,377,000	129,041,300	5.6%
2 Health and Human Services				
Catastrophic Health Care Program	9,999,700	15,000,500	5,000,800	50.0%
Health and Welfare, Department of	180,016,700	179,166,700	(850,000)	(0.5%)
Medicaid, Division of	585,221,400	684,430,500	99,209,100	17.0%
Public Health Districts	9,421,600	9,709,900	288,300	3.1%
State Independent Living Council	223,700	227,700	4,000	1.8%
Total Health and Human Services	784,883,100	888,535,300	103,652,200	13.2%
3 Law and Justice				
Correction, Department of	240,738,600	249,472,100	8,733,500	3.6%
Judicial Branch	47,055,600	50,887,300	3,831,700	8.1%
Juvenile Corrections, Department of	41,771,200	42,566,600	795,400	1.9%
Police, Idaho State	32,772,200	31,292,000	(1,480,200)	(4.5%)
Total Law and Justice	362,337,600	374,218,000	11,880,400	3.3%
4 Natural Resources				
Environmental Quality, Department of	20,461,700	22,465,400	2,003,700	9.8%
Fish and Game, Department of				
Land, Board of Commissioners	6,021,400	6,298,200	276,800	4.6%
Parks and Recreation, Department of	4,217,700	4,010,700	(207,000)	(4.9%)
Water Resources, Department of	19,502,100	19,586,100	84,000	0.4%
Total Natural Resources	50,202,900	52,360,400	2,157,500	4.3%
5 Economic Development				
Agriculture, Department of	14,506,100	14,738,700	232,600	1.6%
Commerce, Department of	5,800,900	5,883,200	82,300	1.4%
Finance, Department of				
Industrial Commission	300,000	300,000	0	0.0%
Insurance, Department of				
Labor, Department of	342,200	347,100	4,900	1.4%
Public Utilities Commission				
Self-Governing Agencies	18,553,600	13,762,100	(4,791,500)	(25.8%)
Transportation Department, Idaho				
Total Economic Development	39,502,800	35,031,100	(4,471,700)	(11.3%)
6 General Government				
Administration, Department of	6,582,900	6,789,800	206,900	3.1%
Permanent Building Fund				
Attorney General	23,639,800	24,177,900	538,100	2.3%
State Controller	10,951,200	11,005,300	54,100	0.5%
Governor, Office of the	24,180,400	24,796,100	615,700	2.5%
Legislative Branch	12,967,200	13,146,300	179,100	1.4%
Lieutenant Governor	177,600	182,600	5,000	2.8%
Revenue and Taxation, Department of	36,763,200	37,561,900	798,700	2.2%
Secretary of State	3,770,000	3,662,400	(107,600)	(2.9%)
State Treasurer	1,430,400	1,459,100	28,700	2.0%
Total General Government	120,462,700	122,781,400	2,318,700	1.9%
Statewide Total	3,652,724,800	3,897,303,200	244,578,400	6.7%

All Funds Request Comparison by Agency

	FY 2019 Approp	FY 2020 Request	Amount Change	Percent Change
1 Education				
Public School Support	2,140,615,100	2,293,774,700	153,159,600	7.2%
Agricultural Research & Extension Service	31,331,100	32,983,600	1,652,500	5.3%
College and Universities	576,786,400	618,868,300	42,081,900	7.3%
Community Colleges	46,926,600	51,168,700	4,242,100	9.0%
Education, Office of the State Board of	15,961,200	16,585,700	624,500	3.9%
Health Education Programs	19,035,500	22,850,800	3,815,300	20.0%
Career Technical Education	75,963,200	82,224,700	6,261,500	8.2%
Idaho Public Television	9,448,600	9,806,200	357,600	3.8%
Special Programs	23,366,800	27,798,700	4,431,900	19.0%
Superintendent of Public Instruction	39,663,000	40,059,000	396,000	1.0%
Vocational Rehabilitation	28,306,100	28,499,500	193,400	0.7%
Total Education	3,007,403,600	3,224,619,900	217,216,300	7.2%
2 Health and Human Services				
Catastrophic Health Care Program	9,999,700	20,000,500	10,000,800	100.0%
Health and Welfare, Department of	603,829,500	601,608,300	(2,221,200)	(0.4%)
Medicaid, Division of	2,449,450,500	2,620,263,700	170,813,200	7.0%
Public Health Districts	10,171,600	10,455,100	283,500	2.8%
State Independent Living Council	697,800	704,200	6,400	0.9%
Total Health and Human Services	3,074,149,100	3,253,031,800	178,882,700	5.8%
3 Law and Justice				
Correction, Department of	275,655,900	304,728,200	29,072,300	10.5%
Judicial Branch	73,741,900	73,780,000	38,100	0.1%
Juvenile Corrections, Department of	52,104,200	53,179,500	1,075,300	2.1%
Police, Idaho State	84,142,600	88,146,400	4,003,800	4.8%
Total Law and Justice	485,644,600	519,834,100	34,189,500	7.0%
4 Natural Resources				
Environmental Quality, Department of	66,960,100	67,863,100	903,000	1.3%
Fish and Game, Department of	112,704,300	126,680,800	13,976,500	12.4%
Land, Board of Commissioners	60,085,500	61,302,900	1,217,400	2.0%
Parks and Recreation, Department of	45,529,900	46,882,500	1,352,600	3.0%
Water Resources, Department of	26,461,800	26,922,500	460,700	1.7%
Total Natural Resources	311,741,600	329,651,800	17,910,200	5.7%
5 Economic Development				
Agriculture, Department of	48,139,700	48,492,500	352,800	0.7%
Commerce, Department of	42,314,000	42,335,500	21,500	0.1%
Finance, Department of	8,648,100	9,140,800	492,700	5.7%
Industrial Commission	17,481,100	18,243,700	762,600	4.4%
Insurance, Department of	10,209,400	9,928,300	(281,100)	(2.8%)
Labor, Department of	88,276,300	88,754,200	477,900	0.5%
Public Utilities Commission	6,682,600	6,740,800	58,200	0.9%
Self-Governing Agencies	92,598,400	144,909,500	52,311,100	56.5%
Transportation Department, Idaho	700,814,600	725,883,400	25,068,800	3.6%
Total Economic Development	1,015,164,200	1,094,428,700	79,264,500	7.8%
6 General Government				
Administration, Department of	37,917,200	47,031,300	9,114,100	24.0%
Permanent Building Fund	77,772,000	48,773,700	(28,998,300)	(37.3%)
Attorney General	25,318,600	26,242,000	923,400	3.6%
State Controller	18,817,700	18,890,400	72,700	0.4%
Governor, Office of the	201,124,800	185,466,100	(15,658,700)	(7.8%)
Legislative Branch	15,716,200	15,702,500	(13,700)	(0.1%)
Lieutenant Governor	177,600	181,000	3,400	1.9%
Revenue and Taxation, Department of	44,358,800	46,053,000	1,694,200	3.8%
Secretary of State	4,970,000	3,853,200	(1,116,800)	(22.5%)
State Treasurer	4,238,300	12,048,800	7,810,500	184.3%
Total General Government	430,411,200	404,242,000	(26,169,200)	(6.1%)
Statewide Total	8,324,514,300	8,825,808,300	501,294,000	6.0%

All Funds Recommendation Comparison by Agency

	FY 2019 Approp	FY 2020 Gov's Rec	Amount Change	Percent Change
1 Education				
Public School Support	2,140,615,100	2,257,608,700	116,993,600	5.5%
Agricultural Research & Extension Service	31,331,100	32,193,500	862,400	2.8%
College and Universities	576,786,400	601,252,600	24,466,200	4.2%
Community Colleges	46,926,600	48,223,200	1,296,600	2.8%
Education, Office of the State Board of	15,961,200	16,490,300	529,100	3.3%
Health Education Programs	19,035,500	21,608,200	2,572,700	13.5%
Career Technical Education	75,963,200	78,475,100	2,511,900	3.3%
Idaho Public Television	9,448,600	9,565,500	116,900	1.2%
Special Programs	23,366,800	31,997,000	8,630,200	36.9%
Superintendent of Public Instruction	39,663,000	40,021,800	358,800	0.9%
Vocational Rehabilitation	28,306,100	28,568,600	262,500	0.9%
Total Education	3,007,403,600	3,166,004,500	158,600,900	5.3%
2 Health and Human Services				
Catastrophic Health Care Program	9,999,700	15,000,500	5,000,800	50.0%
Health and Welfare, Department of	603,829,500	591,031,700	(12,797,800)	(2.1%)
Medicaid, Division of	2,449,450,500	2,803,258,900	353,808,400	14.4%
Public Health Districts	10,171,600	10,483,500	311,900	3.1%
State Independent Living Council	697,800	712,200	14,400	2.1%
Total Health and Human Services	3,074,149,100	3,420,486,800	346,337,700	11.3%
3 Law and Justice				
Correction, Department of	275,655,900	282,041,700	6,385,800	2.3%
Judicial Branch	73,741,900	74,429,000	687,100	0.9%
Juvenile Corrections, Department of	52,104,200	53,050,800	946,600	1.8%
Police, Idaho State	84,142,600	84,998,700	856,100	1.0%
Total Law and Justice	485,644,600	494,520,200	8,875,600	1.8%
4 Natural Resources				
Environmental Quality, Department of	66,960,100	68,064,100	1,104,000	1.6%
Fish and Game, Department of	112,704,300	127,073,100	14,368,800	12.7%
Land, Board of Commissioners	60,085,500	60,697,600	612,100	1.0%
Parks and Recreation, Department of	45,529,900	45,303,900	(226,000)	(0.5%)
Water Resources, Department of	26,461,800	26,921,700	459,900	1.7%
Total Natural Resources	311,741,600	328,060,400	16,318,800	5.2%
5 Economic Development				
Agriculture, Department of	48,139,700	48,399,600	259,900	0.5%
Commerce, Department of	42,314,000	42,406,400	92,400	0.2%
Finance, Department of	8,648,100	9,207,000	558,900	6.5%
Industrial Commission	17,481,100	18,007,900	526,800	3.0%
Insurance, Department of	10,209,400	9,728,700	(480,700)	(4.7%)
Labor, Department of	88,276,300	93,540,000	5,263,700	6.0%
Public Utilities Commission	6,682,600	6,602,500	(80,100)	(1.2%)
Self-Governing Agencies	92,598,400	143,536,000	50,937,600	55.0%
Transportation Department, Idaho	700,814,600	726,899,700	26,085,100	3.7%
Total Economic Development	1,015,164,200	1,098,327,800	83,163,600	8.2%
6 General Government				
Administration, Department of	37,917,200	46,734,200	8,817,000	23.3%
Permanent Building Fund	77,772,000	70,370,500	(7,401,500)	(9.5%)
Attorney General	25,318,600	26,348,200	1,029,600	4.1%
State Controller	18,817,700	18,986,600	168,900	0.9%
Governor, Office of the	201,124,800	185,523,000	(15,601,800)	(7.8%)
Legislative Branch	15,716,200	15,791,400	75,200	0.5%
Lieutenant Governor	177,600	183,800	6,200	3.5%
Revenue and Taxation, Department of	44,358,800	45,458,400	1,099,600	2.5%
Secretary of State	4,970,000	3,665,200	(1,304,800)	(26.3%)
State Treasurer	4,238,300	4,318,900	80,600	1.9%
Total General Government	430,411,200	417,380,200	(13,031,000)	(3.0%)
Statewide Total	8,324,514,300	8,924,779,900	600,265,600	7.2%

General Fund Three-Year Summary by Agency

	FY 2018 Total Approp	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov's Rec
1 Education					
Public School Support	1,685,262,200	1,685,262,200	1,785,265,900	1,927,558,900	1,891,364,400
Agricultural Research & Extension Service	31,263,300	31,263,300	31,307,100	32,959,600	32,169,500
College and Universities	287,053,200	287,025,600	295,763,200	323,768,300	304,280,700
Community Colleges	39,400,900	39,400,900	46,126,600	50,313,700	47,368,200
Education, Office of the State Board of	5,584,900	5,109,300	6,374,900	6,993,900	6,847,100
Health Education Programs	15,594,200	15,502,600	18,714,500	22,524,800	21,280,100
Career Technical Education	65,372,000	65,284,800	66,397,900	71,932,300	68,172,700
Idaho Public Television	3,327,200	3,327,000	2,585,300	3,589,900	2,632,400
Special Programs	15,562,200	15,557,400	19,242,200	22,274,100	26,472,100
Superintendent of Public Instruction	14,189,200	13,305,800	14,909,800	15,163,600	15,030,500
Vocational Rehabilitation	8,589,000	8,093,300	8,648,300	8,692,700	8,759,300
Total Education	2,171,198,300	2,169,132,200	2,295,335,700	2,485,771,800	2,424,377,000
2 Health and Human Services					
Catastrophic Health Care Program	17,999,500	17,999,500	9,999,700	20,000,500	15,000,500
Health and Welfare, Department of	177,522,500	171,639,700	180,016,700	196,277,200	179,166,700
Medicaid, Division of	548,992,600	548,824,900	585,221,400	680,983,900	684,430,500
Public Health Districts	9,341,700	9,341,700	9,421,600	9,684,900	9,709,900
State Independent Living Council	214,700	214,700	223,700	225,600	227,700
Total Health and Human Services	754,071,000	748,020,500	784,883,100	907,172,100	888,535,300
3 Law and Justice					
Correction, Department of	226,356,300	225,021,200	240,738,600	277,421,600	249,472,100
Judicial Branch	49,400,200	49,333,000	47,055,600	50,346,600	50,887,300
Juvenile Corrections, Department of	41,715,600	40,069,100	41,771,200	42,735,800	42,566,600
Police, Idaho State	29,498,800	29,498,400	32,772,200	36,122,200	31,292,000
Total Law and Justice	346,970,900	343,921,700	362,337,600	406,626,200	374,218,000
4 Natural Resources					
Environmental Quality, Department of	19,621,100	19,621,100	20,461,700	22,365,500	22,465,400
Fish and Game, Department of					
Land, Board of Commissioners	6,070,100	5,938,600	6,021,400	6,168,400	6,298,200
Parks and Recreation, Department of	3,927,900	3,774,900	4,217,700	5,589,900	4,010,700
Water Resources, Department of	19,300,500	19,318,600	19,502,100	19,942,000	19,586,100
Total Natural Resources	48,919,600	48,653,200	50,202,900	54,065,800	52,360,400
5 Economic Development					
Agriculture, Department of	14,634,200	12,982,100	14,506,100	14,968,500	14,738,700
Commerce, Department of	5,837,300	5,813,800	5,800,900	5,845,900	5,883,200
Finance, Department of					
Industrial Commission			300,000	300,000	300,000
Insurance, Department of					
Labor, Department of	341,200	337,700	342,200	345,500	347,100
Public Utilities Commission					
Self-Governing Agencies	19,234,600	17,055,700	18,553,600	26,069,800	13,762,100
Transportation Department, Idaho					
Total Economic Development	40,047,300	36,189,300	39,502,800	47,529,700	35,031,100
6 General Government					
Administration, Department of	7,677,400	7,242,400	6,582,900	6,786,700	6,789,800
Permanent Building Fund					
Attorney General	23,135,800	22,915,600	23,639,800	24,165,300	24,177,900
State Controller	8,346,000	8,119,200	10,951,200	10,970,600	11,005,300
Governor, Office of the	24,005,500	23,495,500	24,180,400	28,769,600	24,796,100
Legislative Branch	13,490,300	12,878,600	12,967,200	13,080,300	13,146,300
Lieutenant Governor	172,900	169,100	177,600	181,000	182,600
Revenue and Taxation, Department of	38,405,000	36,398,500	36,763,200	38,092,800	37,561,900
Secretary of State	4,947,300	4,928,200	3,770,000	3,853,200	3,662,400
State Treasurer	1,413,600	1,329,500	1,430,400	1,700,200	1,459,100
Total General Government	121,593,800	117,476,600	120,462,700	127,599,700	122,781,400
Statewide Total	3,482,800,900	3,463,393,500	3,652,724,800	4,028,765,300	3,897,303,200

All Funds Three-Year Summary by Agency

	FY 2018 Total Approp	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov's Rec
1 Education					
Public School Support	2,041,238,400	2,007,623,300	2,140,615,100	2,293,774,700	2,257,608,700
Agricultural Research & Extension Service	31,287,300	31,263,300	31,331,100	32,983,600	32,193,500
College and Universities	729,702,300	568,291,800	576,786,400	618,868,300	601,252,600
Community Colleges	40,000,900	40,000,900	46,926,600	51,168,700	48,223,200
Education, Office of the State Board of	18,262,400	10,860,700	15,961,200	16,585,700	16,490,300
Health Education Programs	16,654,200	16,014,700	19,035,500	22,850,800	21,608,200
Career Technical Education	80,673,500	74,799,700	75,963,200	82,224,700	78,475,100
Idaho Public Television	9,633,100	8,865,100	9,448,600	9,806,200	9,565,500
Special Programs	19,686,600	17,224,200	23,366,800	27,798,700	31,997,000
Superintendent of Public Instruction	38,818,000	30,005,000	39,663,000	40,059,000	40,021,800
Vocational Rehabilitation	28,175,900	25,150,100	28,306,100	28,499,500	28,568,600
Total Education	3,054,132,600	2,830,098,800	3,007,403,600	3,224,619,900	3,166,004,500
2 Health and Human Services					
Catastrophic Health Care Program	17,999,500	17,999,500	9,999,700	20,000,500	15,000,500
Health and Welfare, Department of	577,329,300	528,796,600	603,829,500	601,608,300	591,031,700
Medicaid, Division of	2,343,605,500	2,316,908,000	2,449,450,500	2,620,263,700	2,803,258,900
Public Health Districts	10,091,700	10,084,300	10,171,600	10,455,100	10,483,500
State Independent Living Council	741,100	430,200	697,800	704,200	712,200
Total Health and Human Services	2,949,767,100	2,874,218,600	3,074,149,100	3,253,031,800	3,420,486,800
3 Law and Justice					
Correction, Department of	253,371,000	249,133,100	275,655,900	304,728,200	282,041,700
Judicial Branch	72,364,100	66,561,600	73,741,900	73,780,000	74,429,000
Juvenile Corrections, Department of	52,776,400	48,995,400	52,104,200	53,179,500	53,050,800
Police, Idaho State	79,115,600	74,181,800	84,142,600	88,146,400	84,998,700
Total Law and Justice	457,627,100	438,871,900	485,644,600	519,834,100	494,520,200
4 Natural Resources					
Environmental Quality, Department of	67,899,900	50,981,700	66,960,100	67,863,100	68,064,100
Fish and Game, Department of	108,085,100	101,682,800	112,704,300	126,680,800	127,073,100
Land, Board of Commissioners	55,487,700	47,837,700	60,085,500	61,302,900	60,697,600
Parks and Recreation, Department of	54,312,000	38,288,300	45,529,900	46,882,500	45,303,900
Water Resources, Department of	26,611,800	24,281,200	26,461,800	26,922,500	26,921,700
Total Natural Resources	312,396,500	263,071,700	311,741,600	329,651,800	328,060,400
5 Economic Development					
Agriculture, Department of	48,300,400	36,486,200	48,139,700	48,492,500	48,399,600
Commerce, Department of	38,886,400	25,998,100	42,314,000	42,335,500	42,406,400
Finance, Department of	8,355,300	7,958,300	8,648,100	9,140,800	9,207,000
Industrial Commission	17,253,000	15,467,300	17,481,100	18,243,700	18,007,900
Insurance, Department of	9,690,600	7,483,400	10,209,400	9,928,300	9,728,700
Labor, Department of	97,785,700	60,851,300	88,276,300	88,754,200	93,540,000
Public Utilities Commission	6,572,800	6,259,100	6,682,600	6,740,800	6,602,500
Self-Governing Agencies	110,033,200	89,432,600	92,598,400	144,909,500	143,536,000
Transportation Department, Idaho	1,074,566,200	694,970,000	700,814,600	725,883,400	726,899,700
Total Economic Development	1,411,443,600	944,906,300	1,015,164,200	1,094,428,700	1,098,327,800
6 General Government					
Administration, Department of	42,709,800	34,860,700	37,917,200	47,031,300	46,734,200
Permanent Building Fund	118,671,000	31,414,400	77,772,000	48,773,700	70,370,500
Attorney General	24,714,400	24,135,900	25,318,600	26,242,000	26,348,200
State Controller	19,300,200	16,032,400	18,817,700	18,890,400	18,986,600
Governor, Office of the	173,220,100	186,497,100	201,124,800	185,466,100	185,523,000
Legislative Branch	17,078,300	14,381,100	15,716,200	15,702,500	15,791,400
Lieutenant Governor	172,900	169,100	177,600	181,000	183,800
Revenue and Taxation, Department of	45,987,900	43,733,900	44,358,800	46,053,000	45,458,400
Secretary of State	4,947,300	4,928,200	4,970,000	3,853,200	3,665,200
State Treasurer	6,966,800	6,463,400	4,238,300	12,048,800	4,318,900
Total General Government	453,768,700	362,616,200	430,411,200	404,242,000	417,380,200
Statewide Total	8,639,135,600	7,713,783,500	8,324,514,300	8,825,808,300	8,924,779,900

Change in Employee Compensation (CEC) FY 2016 to FY 2020

Section 67-5309C, Idaho Code, requires the Division of Human Resources (DHR) to conduct salary and benefit surveys within relevant labor markets and submit a recommendation of proposed changes and their estimated costs to the Governor. The Governor then must submit his own recommendations to the Legislature. The Legislature may accept, modify, or reject his recommendations. Failure by the Legislature to act shall constitute approval of the Governor's recommendations.

FY 2020

The Governor recommends a 3% CEC to be distributed based on merit. The Governor also recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year. If funded at that level, the year-end reserve fund balance is projected to be drawn down to the minimum amount allowed by the state's contract with Blue Cross of Idaho, which is calculated as 10% of the expected premium costs annually (or approximately \$30.9 million). The actuarially recommended year-end reserve balance is \$50.4 million, which is calculated at a 90% confidence level. The Division of Human Resources recommends a 3% salary increase for state employees in its statutorily required report on employee compensation and benefits, as well. DHR also recommends, and the Governor concurs, that the salary structure be shifted upwards by 2% at the minimum, the policy, and the maximum pay rates in each pay grade. Employer-paid benefit changes include a 5.5% increase for PERSI's regular retirement rates, due to the Board's decision to increase contribution rates from 11.32% to 11.94%. The employee-paid rates are also increasing 5.5%, from 6.79% to 7.14%.

FY 2019

The DHR recommended a 3% salary increase for state employees in its statutorily-required report to the Governor on state employee compensation and benefits. The Governor recommended a 3% increase in funding, distributed based on merit, for permanent state employees. He also recommended that the pay schedule be shifted upwards by 3% at the minimum, the policy, and the maximum pay rates in each pay grade. The Legislature funded those recommendations. For benefit costs, the Legislature removed \$1,450 per eligible FTP to bring the annual employer contribution for health insurance down to \$11,650 by including a two-month employee and employer premium holiday. The health insurance premium costs will also increase for state employees; the exact amount per employee depends on which plan the employee is enrolled in and whether or not there are dependents on their plan. With the exception of the Attorney General, the constitutional officers' received an annualization of \$1,000 for the pay increase authorized by the Legislature in Chapter 356, Laws of 2014 to fund their increase from July 1, 2018, through December 31, 2018. The Attorney General's pay will match state district judges' pay at the beginning of his term of office. Judicial salaries increased, as well, at varying amounts. Appointed officials in the Public Utilities Commission, the Tax Commission, and the Industrial Commission all received a 3% CEC. PERSI retirement contribution rates will remain at 11.32% for employers and 6.79% for employees.

FY 2018

The DHR recommended a 3% salary increase for state employees in its statutorily required report to the Governor on state employee compensation and benefits. The Governor recommended a 3% increase in funding distributed on merit for permanent state employees and did not include a compensation increase for group and temporary positions. He also recommended that the pay schedule be shifted upwards by 3% at the minimum, policy, and maximum pay rates in each pay grade. The Governor's recommendation provided funding for a 7% increase for the cost of health insurance, for a total employer-paid premium of \$13,100 per eligible FTP. The Legislature's joint Change in Employee Compensation (CEC) Committee recommended the compensation and health insurance increases, as well, and the Legislature funded those recommendations. The health insurance premium costs also increased for state employees; the exact amount per employee depended on which plan the employee was enrolled in and whether or not there were dependents on the plan. With the exception of the Attorney General, statewide-elected officials received a 1.5% pay increase in January 2018, as authorized during the 2014 session. The Attorney General's pay was adjusted to match state district judges' and judicial salaries increased, as well, at varying amounts.

FY 2017

The Legislature's Joint CEC Committee recommended a 3% ongoing merit-based increase, to be distributed at the discretion of each agency director. JFAC funded the recommendations. In addition, JFAC funded targeted pay increases at approximately 20 agencies where compensation issues were the greatest. The Legislature authorized and funded a 3% increase in the annual salary for appointed officials, as well. The salary for each of the three public utilities commissioners, four tax commissioners, and three industrial commissioners was statutorily increased by 3%. Employer health insurance premiums increased by \$1,240 per employee (a 9.3% increase over FY 2016). The increase was paid by the employer only, employee-paid premium costs remained unchanged. PERSI retirement contribution rates remained at 11.32% for employers and 6.79% for employees.

FY 2016

The CEC Committee recommended an ongoing merit-based 3% salary increase for permanent state employees, that was to be distributed at the discretion of each agency head. The committee also directed DHR to change the minimum amounts on the classified pay schedule from 68% of policy to 70% of policy. JFAC funded the recommendations. The Legislature authorized and funded a 3% increase in the annual salary for appointed officials, as well.

Change in Employee Compensation (CEC) Twenty-Year Historical Comparison

Fiscal Year	Orig Gen Fund	% Change	DHR Rec*	Agency CEC	Judges CEC	CPI %
1999	\$ 1,610,815,500	11.9%	7.7%	5.0%	5.0%	2.0%
2000	\$ 1,674,713,100	4.0%	14.0%	3.0%	4.0%	3.7%
2001	\$ 1,804,038,100	7.7%	0.0%	3.5%	3.5%	3.3%
2002	\$ 2,044,295,100	13.3%	0.0%	4.5%	4.5%	1.1%
2003	\$ 1,967,895,400	-3.7%	0.0%	0.0%	0.0%	2.1%
2004	\$ 2,004,053,000	1.8%	1.0%	0.0%	0.0%	3.3%
2005	\$ 2,082,138,300	3.9%	6.8%	3.0%	2.0%	2.5%
2006	\$ 2,180,928,300	4.7%	6.7%	1.0%	1.0%	4.3%
2007	\$ 2,593,723,500	18.9%	5.8%	3.0%	6.0%	2.7%
2008	\$ 2,820,674,400	8.8%	5.8%	5.0%	5.0%	5.0%
2009	\$ 2,959,283,400	4.9%	5.0%	3.0%	3.0%	-1.4%
2010	\$ 2,506,580,100	-15.3%	5.0%	-5.0%	0.0%	1.1%
2011	\$ 2,383,836,000	-4.9%	3.0%	0.0%	0.0%	3.6%
2012	\$ 2,528,960,600	6.1%	3.0%	0.0%	0.0%	1.7%
2013	\$ 2,702,105,700	6.8%	3.0%	2.0%	2.0%	1.8%
2014	\$ 2,781,023,800	2.9%	0.0%	0.0%	0.0%	2.1%
2015	\$ 2,936,096,600	5.6%	2.0%	2.0%	10.7%	0.1%
2016	\$ 3,071,860,500	4.6%	3.0%	3.0%	3.7%	1.0%
2017	\$ 3,272,991,000	6.5%	3.0%	3.0%	3.7%	1.6%
2018	\$ 3,450,575,300	5.4%	3.0%	3.0%	3.9%	2.9%
2019	\$ 3,652,724,800	5.9%	3.0%	3.0%	3.0%	NA
Average Change***		4.40%	3.66%	1.85%	2.80%	2.23%

* CEC rec. from the Personnel Commission (prior to FY 2001) or Div. of Human Resources (§67-5309C, Idaho Code).

Calendar Year	Statewide Elected Officials	Attorney General	Lt Gov	Governor	Legislator Salary	Legislator % Change**
1999	11.1%	10.0%	8.8%	8.8%	\$ 14,760	0.0%
2000	3.3%	3.0%	3.0%	3.2%	\$ 14,760	
2001	3.2%	4.1%	2.9%	3.1%	\$ 15,646	6.0%
2002	0.0%	0.0%	0.0%	0.0%	\$ 15,646	
2003	0.0%	0.0%	0.0%	0.0%	\$ 15,646	0.0%
2004	0.0%	0.0%	0.0%	0.0%	\$ 15,646	
2005	0.0%	0.0%	0.0%	0.0%	\$ 15,646	0.0%
2006	3.1%	3.3%	2.8%	3.0%	\$ 15,646	
2007	4.0%	4.0%	4.0%	4.0%	\$ 16,116	3.0%
2008	3.0%	3.0%	3.0%	3.0%	\$ 16,116	
2009	2.9%	2.9%	2.9%	2.9%	\$ 16,116	0.0%
2010	3.0%	3.0%	3.0%	3.0%	\$ 16,116	
2011	-3.9%	-3.9%	-4.0%	-4.0%	\$ 16,116	0.0%
2012	4.1%	4.1%	4.1%	4.1%	\$ 16,116	
2013	6.1%	1.3%	15.5%	1.4%	\$ 16,438	2.0%
2014	1.7%	1.7%	1.7%	1.7%	\$ 16,438	
2015	1.5%	15.8%	18.4%	1.5%	\$ 16,684	1.5%
2016	1.5%	0.0%	1.5%	1.5%	\$ 16,684	
2017	1.5%	0.0%	1.5%	1.5%	\$ 17,017	2.0%
2018	1.5%	0.0%	1.5%	1.5%	\$ 17,358	2.0%
2019	1.5%	2.8%	1.5%	1.5%	\$ 17,879	3.0%
Average Change***		2.25%	3.16%	1.65%		1.77%

**Legislators pay changes effective December 1, 2016 for two years (one term).

***Average annual change (Elected Officials' increase authorized by the 2018 Legislature in Session Laws, Chapter 269).

Employer Contributions to Employee Benefit Costs, Including Health Insurance and Variable Benefits

Employer-Paid Health Insurance per Eligible Employee			
	FY 2019 Appropriation	FY 2020 Gov's Rec and OGI Actuarial Estimate	FY 2021 Projection
Health Insurance (medical, dental)	\$12,328	\$13,770	\$14,600
Retiree Subsidy	\$139	\$129	\$121
Health Insurance Continuation Premium	\$55	\$59	\$63
Administrative Costs	\$42	\$43	\$44
Proposed Use of "Sweep" Funding	(\$809)	(\$860)	(\$978)
Proposed Use of Reserve Funding	(\$105)	(\$2,121)	\$0
Annual Appropriation	\$11,650	\$11,020	\$13,850
New General Fund Approp	\$0	(\$6,267,200)	\$26,613,300
Total General Fund in the Base	\$108,170,300	\$101,903,100	\$128,516,400

FY 2020 Variable Benefits as a % of Gross Salary:	
FICA - Social Security	6.20%
FICA - Medicare	1.45%
Unemployment Insurance	0.13%
Life Insurance	0.72%
Regular Retirement Rate (higher rates for police/fireman)	11.94%
Unused Sick Leave Benefit	0.65%
DHR Fee (agencies with classified employees; Gov's Rec is 0.275%)	0.55%
Average Workers' Compensation Rate (rates vary by agency)	0.96%
Total Variable Benefits	22.60%

FY 2020 Examples for Hourly Rates of \$15/hour, \$21/hour, and \$30/hour			
Hourly rate	\$15	\$21	\$30
Annual Salary (hourly rate x 2080 hours)	\$31,200	\$43,680	\$62,400
Health Insurance (Budget Request)	\$11,650	\$11,650	\$11,650
Variable Benefits (22.6% x Salary)	\$7,052	\$9,872	\$14,103
Benefit Costs for the Employer	\$18,702	\$21,522	\$25,753
Proportion of Benefit Costs to Salary	60%	49%	41%

Other Employer-Provided Benefits for State Employees

1. **Paid Holiday:** Ten days per year: §67-5302(13) and §59-1607(1), Idaho Code.
2. **Sick Leave:** 96 hours per 2,080 hours (approx. 12 days/year): §67-5333 and §59-1605, Idaho Code.
3. **Vacation:** Based on length of service (approx. 12 days/year for first five years, 15 days/year for next five years, 18 days/year for next five years, and 21 days/year thereafter): §67-5334 and §59-1606, Idaho Code.
4. **Life Insurance Basic Plan:** Employer-provided with no cost to the employee. Optional additional life insurance can be purchased by the employee.
5. **Short & Long Term Disability Program:** Employer-provided with no cost to the employee.
6. **PERSI Defined Benefit Retirement Plan:** Mandatory contributions by the employer and employee.

Employee Contributions to Their Own Benefit Costs

Employee-Paid Health Insurance Premiums

FY 2018: Employee-paid premiums increased \$84 to \$348 per year, depending on plan type and number of enrolled dependents.

FY 2019: Employee-paid premiums increased \$48 to \$264 per year, depending on plan type and number of enrolled dependents.

FY 2020 (Gov's Rec / OGI Projection): Employee-paid premiums are projected to increase \$60 to \$300 per year (equal to the FY 2019 trend rate of 2.76%), depending on plan type and number of enrolled dependents.

FY 2020 Gov's Rec / OGI Projection for Annual Plan Premiums for a Full-Time Employee (working 30 - 40 hours/week)

Plan Type	Employee	Employee & Spouse	Employee & Child	Employee & Children	Employee, Spouse & Child	Employee, Spouse & Children
PPO	\$732	\$1,836	\$1,260	\$1,704	\$2,292	\$2,640
Traditional	\$900	\$2,220	\$1,560	\$2,052	\$2,772	\$3,108
High Deductible	\$588	\$1,548	\$1,032	\$1,404	\$1,932	\$2,160

FY 2020 Variable Benefits as a % of Gross Salary:

FICA - Social Security	6.20% (to \$128,400)
FICA - Medicare	1.45%
Regular Retirement Rate (other rates for police/fire)	7.16%
Total Variable Benefits	14.81%

FY 2020 Examples for Hourly Rates of \$15/hour, \$21/hour, and \$30/hour

Hourly rate	\$15	\$21	\$30
Annual Salary (hourly rate x 2080 hours)	\$31,200	\$43,680	\$62,400
Health & Dental Insurance (Average Cost per Employee)	\$2,054	\$2,054	\$2,054
Variable Benefits (14.81% x Salary)	\$4,621	\$6,469	\$9,241
Benefit Costs for the Employee	\$6,675	\$8,523	\$11,296
Proportion of Benefit Costs to Salary	21%	20%	18%

Optional Employee-Paid Benefits

1. **Flexible Spending Account:** Employees can elect to set aside pre-tax dollars to pay for qualified out-of-pocket health and dependent care expenses.

2. **PERSI Choice Plan:** As part of the gain sharing program, whereby excess investment gains from the PERSI defined benefit fund are distributed to employees, employers, and retirees, the Choice Plan is an optional defined contribution 401(k) plan. The Choice Plan is in addition to, and separate from, the mandatory defined benefit retirement plan. No employer contribution: §59-1308, Idaho Code.

3. **Deferred Compensation 457 Plan:** Pre-tax savings plan, administered by Nationwide Retirement Services: §59-513, Idaho Code.

Twenty-Two Year History of General Fund

Original Appropriations: FY 1998 to FY 2019

Millions of Dollars

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total Gen Fund
2019	\$1,785.3	\$295.8	\$214.3	\$2,295.3	\$765.2	\$282.5	\$309.6	\$3,652.7
2018	\$1,685.3	\$287.1	\$198.9	\$2,171.2	\$706.1	\$262.1	\$311.1	\$3,450.6
2017	\$1,584.7	\$279.5	\$187.5	\$2,051.7	\$677.1	\$256.2	\$288.0	\$3,273.0
2016	\$1,475.8	\$258.8	\$169.7	\$1,904.3	\$649.5	\$247.4	\$270.7	\$3,071.9
2015	\$1,374.6	\$251.2	\$153.7	\$1,779.5	\$637.3	\$243.3	\$276.0	\$2,936.1
2014	\$1,308.4	\$236.5	\$143.0	\$1,687.9	\$616.8	\$218.3	\$258.0	\$2,781.0
2013	\$1,279.8	\$228.0	\$138.0	\$1,645.7	\$610.2	\$205.5	\$240.7	\$2,702.1
2012	\$1,223.6	\$209.8	\$128.3	\$1,561.7	\$564.8	\$193.1	\$209.3	\$2,529.0
2011	\$1,214.3	\$217.5	\$129.9	\$1,561.7	\$436.3	\$180.7	\$205.1	\$2,383.8
2010*	\$1,231.4	\$253.3	\$141.2	\$1,625.8	\$462.3	\$186.8	\$231.7	\$2,506.6
2009	\$1,418.5	\$285.2	\$175.1	\$1,878.8	\$587.3	\$215.9	\$277.3	\$2,959.3
2008	\$1,367.4	\$264.2	\$166.2	\$1,797.7	\$544.8	\$201.2	\$276.9	\$2,820.7
2007*	\$1,291.6	\$243.7	\$148.4	\$1,683.7	\$502.4	\$178.0	\$229.7	\$2,593.7
2006	\$987.1	\$228.9	\$141.8	\$1,357.9	\$457.7	\$152.2	\$213.2	\$2,180.9
2005	\$964.7	\$223.4	\$138.3	\$1,326.3	\$407.6	\$142.8	\$205.5	\$2,082.1
2004	\$943.0	\$218.0	\$131.3	\$1,292.3	\$375.8	\$140.6	\$195.3	\$2,004.1
2003	\$920.0	\$213.6	\$130.4	\$1,264.0	\$359.6	\$145.0	\$199.3	\$1,967.9
2002	\$933.0	\$236.4	\$142.1	\$1,311.5	\$358.0	\$147.3	\$227.5	\$2,044.3
2001*	\$873.5	\$215.0	\$121.1	\$1,209.5	\$282.1	\$123.2	\$189.2	\$1,804.0
2000	\$821.1	\$202.0	\$110.4	\$1,133.4	\$270.7	\$108.5	\$162.1	\$1,674.7
1999	\$796.4	\$192.9	\$103.5	\$1,092.8	\$252.7	\$106.4	\$159.0	\$1,610.8
1998	\$705.0	\$178.6	\$94.4	\$978.0	\$236.6	\$90.3	\$134.0	\$1,438.9

Percentage of Total

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total
2019	48.9%	8.1%	5.9%	62.8%	20.9%	7.7%	8.5%	100%
2018	48.8%	8.3%	5.8%	62.9%	20.5%	7.6%	9.0%	100%
2017	48.4%	8.5%	5.7%	62.7%	20.7%	7.8%	8.8%	100%
2016	48.0%	8.4%	5.5%	62.0%	21.1%	8.1%	8.8%	100%
2015	46.8%	8.6%	5.2%	60.6%	21.7%	8.3%	9.4%	100%
2014	47.0%	8.5%	5.1%	60.7%	22.2%	7.8%	9.3%	100%
2013	47.4%	8.4%	5.1%	60.9%	22.6%	7.6%	8.9%	100%
2012	48.4%	8.3%	5.1%	61.8%	22.3%	7.6%	8.3%	100%
2011	50.9%	9.1%	5.5%	65.5%	18.3%	7.6%	8.6%	100%
2010*	49.1%	10.1%	5.6%	64.9%	18.4%	7.5%	9.2%	100%
2009	47.9%	9.6%	5.9%	63.5%	19.8%	7.3%	9.4%	100%
2008	48.5%	9.4%	5.9%	63.7%	19.3%	7.1%	9.8%	100%
2007*	49.8%	9.4%	5.7%	64.9%	19.4%	6.9%	8.9%	100%
2006	45.3%	10.5%	6.5%	62.3%	21.0%	7.0%	9.8%	100%
2005	46.3%	10.7%	6.6%	63.7%	19.6%	6.9%	9.9%	100%
2004	47.1%	10.9%	6.6%	64.5%	18.8%	7.0%	9.7%	100%
2003	46.8%	10.9%	6.6%	64.2%	18.3%	7.4%	10.1%	100%
2002	45.6%	11.6%	7.0%	64.2%	17.5%	7.2%	11.1%	100%
2001*	48.4%	11.9%	6.7%	67.0%	15.6%	6.8%	10.5%	100%
2000	49.0%	12.1%	6.6%	67.7%	16.2%	6.5%	9.7%	100%
1999	49.4%	12.0%	6.4%	67.8%	15.7%	6.6%	9.9%	100%
1998	49.0%	12.4%	6.6%	68.0%	16.4%	6.3%	9.3%	100%

2010* Moved Deaf/Blind School from "Other Education" to "Public Schools"; Historical Society and Libraries to "All Other Agencies".

2007* Adjusted for H1 of 2006 Special Session which increased Public Schools General Fund by \$250,645,700.

2001* Moved Department of Environmental Quality and Veterans Services from H&W to "All Other Agencies".

Twenty-Two Year History of General Fund

Change from Previous Original Appropriations: FY 1998 to FY 2019

Millions of Dollars

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total Gen Fund
2019	\$100.0	\$8.7	\$15.4	\$124.1	\$59.1	\$20.4	(\$1.5)	\$202.1
2018	\$100.6	\$7.5	\$11.4	\$119.5	\$29.0	\$6.0	\$23.1	\$177.6
2017	\$108.9	\$20.8	\$17.7	\$147.4	\$27.6	\$8.8	\$17.4	\$201.1
2016	\$101.2	\$7.6	\$16.0	\$124.7	\$12.2	\$4.2	(\$5.3)	\$135.8
2015	\$66.2	\$14.7	\$10.8	\$91.7	\$20.5	\$25.0	\$18.0	\$155.1
2014	\$28.5	\$8.6	\$5.0	\$42.1	\$6.7	\$12.8	\$17.3	\$78.9
2013	\$56.2	\$18.1	\$9.7	\$84.1	\$45.3	\$12.4	\$31.4	\$173.1
2012	\$9.3	(\$7.7)	(\$1.7)	(\$0.0)	\$128.5	\$12.4	\$4.2	\$145.1
2011	(\$17.1)	(\$35.8)	(\$11.2)	(\$64.1)	(\$26.0)	(\$6.1)	(\$26.6)	(\$122.7)
2010*	(\$187.2)	(\$31.9)	(\$34.0)	(\$253.0)	(\$125.0)	(\$29.2)	(\$45.6)	(\$452.7)
2009	\$51.2	\$20.9	\$8.9	\$81.1	\$42.4	\$14.8	\$4.4	\$138.6
2008	\$75.8	\$20.5	\$17.8	\$114.1	\$42.5	\$23.2	\$47.2	\$227.0
2007*	\$304.5	\$14.8	\$6.5	\$325.8	\$44.7	\$25.8	\$16.5	\$412.8
2006	\$22.4	\$5.6	\$3.6	\$31.5	\$50.1	\$9.4	\$7.7	\$98.8
2005	\$21.7	\$5.4	\$6.9	\$34.0	\$31.7	\$2.1	\$10.2	\$78.1
2004	\$23.0	\$4.4	\$9.9	\$28.4	\$16.2	(\$4.4)	(\$4.0)	\$36.2
2003	(\$13.0)	(\$22.9)	(\$11.7)	(\$47.5)	\$1.6	(\$2.2)	(\$28.2)	(\$76.4)
2002	\$59.5	\$21.5	\$21.0	\$102.0	\$75.9	\$24.1	\$38.3	\$240.3
2001*	\$52.4	\$13.0	\$10.7	\$76.1	\$11.4	\$14.7	\$27.1	\$129.3
2000	\$24.7	\$9.0	\$6.8	\$40.6	\$18.1	\$2.1	\$3.2	\$63.9
1999	\$91.4	\$14.3	\$9.1	\$114.8	\$16.1	\$16.1	\$25.0	\$171.9
1998	\$15.5	\$6.6	\$1.1	\$16.1	(\$1.9)	\$11.7	\$3.3	\$26.3

Percent Change from Previous Original Appropriations

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total
2019	5.9%	3.0%	7.8%	5.7%	8.4%	7.8%	(0.5%)	5.9%
2018	6.3%	2.7%	6.1%	5.8%	4.3%	2.3%	8.0%	5.4%
2017	7.4%	8.0%	10.5%	7.7%	4.3%	3.5%	6.4%	6.5%
2016	7.4%	3.0%	10.4%	7.0%	1.9%	1.7%	(1.9%)	4.6%
2015	5.1%	6.2%	7.5%	5.4%	3.3%	11.4%	7.0%	5.6%
2014	2.2%	3.8%	3.6%	2.6%	1.1%	6.2%	7.2%	2.9%
2013	4.6%	8.6%	7.6%	5.4%	8.0%	6.4%	15.0%	6.8%
2012	0.8%	(3.5%)	(1.3%)	(0.0%)	29.5%	6.9%	2.1%	6.1%
2011	(1.4%)	(14.1%)	(8.0%)	(3.9%)	(5.6%)	(3.3%)	(11.5%)	(4.9%)
2010*	(13.2%)	(11.2%)	(19.4%)	(13.5%)	(21.3%)	(13.5%)	(16.4%)	(15.3%)
2009	3.7%	7.9%	5.4%	4.5%	7.8%	7.3%	0.1%	4.9%
2008	5.9%	8.4%	12.0%	6.8%	8.5%	13.0%	20.6%	8.8%
2007*	30.8%	6.5%	4.6%	24.0%	9.8%	17.0%	7.7%	18.9%
2006	2.3%	2.5%	2.6%	2.4%	12.3%	6.6%	3.8%	4.7%
2005	2.3%	2.5%	5.3%	2.6%	8.4%	1.5%	5.2%	3.9%
2004	2.5%	2.1%	0.7%	2.2%	4.5%	(3.0%)	(2.0%)	1.8%
2003	(1.4%)	(9.7%)	(8.2%)	(3.6%)	0.5%	(1.5%)	(12.4%)	(3.7%)
2002	6.8%	10.0%	17.4%	8.4%	26.9%	19.5%	20.2%	13.3%
2001*	6.4%	6.4%	9.7%	6.7%	4.2%	13.6%	16.7%	7.7%
2000	3.1%	4.7%	6.6%	3.7%	7.1%	2.0%	2.0%	4.0%
1999	13.0%	8.0%	9.7%	11.7%	6.8%	17.8%	18.7%	11.9%
1998	2.3%	0.3%	0.1%	1.7%	(0.8%)	14.9%	0.2%	1.9%

2010* Moved Deaf/Blind School from "Other Education" to "Public Schools"; Historical Society and Libraries to "All Other Agencies".

2007* Adjusted for H1 of 2006 Special Session which increased Public Schools General Fund by \$250,645,700.

2001* Moved Department of Environmental Quality and Veterans Services from H&W to "All Other Agencies".

Budget Stabilization Fund

Date	Action	Section 57-814, Idaho Code	Balance
Apr 1984	Budget Reserve Fund Creation & General Fund Transfer (H747)	\$ 4,267,200	\$ 4,267,200
Jun 1984	Transfer from General Fund (H350)	1,490,300	5,757,500
Jul 1985	Transfer to General Fund (H350)	(5,757,500)	-
A/Jun 1989	Transfers from General Fund (S1332aaH)	12,000,000	12,000,000
Mar 1990	Transfer from General Fund (S1573)	38,000,000	50,000,000
Apr 1990	Interest earnings from Apr. 1989 to Mar. 1990	684,432	50,684,432
Apr 1990	Appropriation for local highway projects (H905)	(15,500,000)	35,184,432
Jun 1992	Transfer to General Fund (S1464)	(5,406,100)	29,778,332
Apr 1993	Transfer to Parks & Rec. for Oregon Trail Project (S1276)	(100,000)	29,678,332
Jul 1993	Transfer to General Fund for public schools (H463)	(3,000,000)	26,678,332
M/Apr 1994	Oregon Trail Rtn \$27,000 (H862)/Juv Justice Study (H992)	(73,000)	26,605,332
1993/1994	Transfers from Liquor Fund (H464)	6,255,800	32,861,132
Jun 1995	Partial return from juvenile justice study	26,763	32,887,895
Mar 1996	Transfer for North Idaho floods (Exec. Order #96-04)	(1,000,000)	31,887,895
J/Jun 1997	Transfer for Floods (Exec. Order #97-01)	(4,000,000)	27,887,895
Jul 1997	State Controller - Y2K appropriation (S1285)	(357,700)	27,530,195
Jun 1998	Transfers from General Fund (H572 and H443a)	8,500,000	36,030,195
Dec 1999	Deposits from tobacco settlement (S1002)	16,781,559	52,811,754
Feb 2000	Transfer tobacco settlements to Millennium Fund (S1296)	(16,781,559)	36,030,195
Jul 2000	American Trucking Settlement Out/Surplus In \$17,000,000	-	36,030,195
Dec 2000	Transfer to Disaster Emergency Fund (Exec. Order #00-17)	(1,000,000)	35,030,195
FY 2001	Quarterly transfers from General Fund to BSF (H569)	18,209,641	53,239,836
Aug 2001	Rainbow Gathering (Exec. Order 2001-09)	(150,000)	53,089,836
S/Dec 2001	Qtrly FY 2002 transfers from General Fund §57-814a	9,923,198	63,013,034
Feb 2002	Transfer to General Fund and Defer Remaining (S1301)	(9,923,000)	53,090,034
Jul 2002	Transfers to General Fund (S1517 of 2002 & S1195 of 2003)	(53,090,000)	34
S/D/M 2005	Qtrly FY 2005 transfers from General Fund §57-814a	15,728,258	15,728,292
Apr 2005	Transfer to Public Education Stabilization Fund (S1231)	(5,000,000)	10,728,292
Jun 2005	Qtrly FY 2005 transfer from General Fund §57-814a	5,242,753	15,971,045
S/Dec 2005	Qtrly FY 2006 transfers from General Fund §57-814a	11,338,458	27,309,503
Feb 2006	Transfer from General Fund (H409)	70,000,000	97,309,503
M/Jun 2006	Qtrly FY 2006 transfers from General Fund §57-814a	11,338,458	108,647,961
FY 2007	Qtrly FY 2007 transfers from General Fund §57-814a	12,917,610	121,565,571
FY 2008	Qtrly FY 2008 transfers from General Fund §57-814a	19,059,069	140,624,640
Jun 2009	FY 2009 Year-End Balancing (S1227)	(12,400,000)	128,224,640
Jul 2009	Trans to Gen Fund, Salary Approp (S1227) Elect Cons (H372a)	(63,899,568)	64,325,072
Jul 2010	FY 2010 Transfer to General Fund (S1445)	(33,505,000)	30,820,072
FY 2011	FY 2011 Transfers to GF, Appropriations net Reversions	(30,720,400)	99,672
FY 2012	FY 2012 SOS \$128,046 Reversion and Year-end Transfer	23,769,346	23,869,018
FY 2013	Qtrly FY 2013 transfers from General Fund §57-814a	25,877,133	49,746,151
Jun 2013	Transfer from General Fund (H345)	85,392,192	135,138,343
FY 2014	Qtrly FY 2014 transfers from General Fund §57-814a	2,375,764	137,514,107
FY 2014	Year-end Transfer from General Fund (H635)	24,000,000	161,514,107
FY 2015	Transfer from Gen Fund §57-814(2) (H312a of 2015) 1% of FY 201	28,154,293	189,668,400
FY 2015	Transfer from General Fund §57-814(4) (H312a of 2015) Surplus	54,152,455	243,820,855
FY 2016	Transfer from General Fund §57-814(2) (H312a of 2015)	4,657,880	248,478,735
FY 2016	Transfer from General Fund §57-814(4) (H312a of 2015) Surplus	10,965,530	259,444,266
FY 2017	Transfer from General Fund §57-814(2) (S1206 of 2017)	31,836,900	291,281,166
FY 2017	Transfer from General Fund §57-814(4) (S1206 of 2017) Surplus	27,464,300	318,745,466
FY 2018	Transfer from General Fund §57-814(2)	34,484,100	353,229,566
FY 2018	Transfer from General Fund §57-814(4) (S1206 of 2017) Surplus	60,296,400	413,525,966

State of Idaho Major Reserve Fund Balances

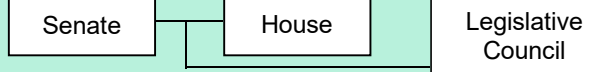
Emergency Funds include: 1) Governor's Emergency, Section 57-1601, Idaho Code; and 2) Disaster Emergency, Section 46-1005A, Idaho Code, which includes both Federal Emergency Management Act and state moneys.

In Millions of Dollars	Budget Stabilization Fund	Public Ed Stabilization Fund	Economic Recovery Reserve	Idaho Millennium Fund	Higher Ed Stabilization Fund	Emergency Funds	TOTAL
1. Balance June 30, 2003	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	(\$ 0.218)	(\$ 0.218)
2. Balance June 30, 2004	\$ 0.000	\$ 7.135	\$ 0.000	\$ 22.872	\$ 0.000	\$ 0.154	\$ 30.161
3. Balance June 30, 2005	\$ 15.971	\$ 12.135	\$ 22.044	\$ 44.677	\$ 0.000	\$ 0.132	\$ 94.960
4. Balance June 30, 2006	\$ 108.648	\$ 7.771	\$ 24.632	\$ 67.436	\$ 0.000	\$ 0.281	\$ 208.768
5. Balance June 30, 2007	\$ 121.566	\$ 109.030	\$ 2.657	\$ 64.079	\$ 0.000	\$ 0.875	\$ 298.207
6. Balance June 30, 2008	\$ 140.625	\$ 112.046	\$ 66.133	\$ 70.207	\$ 0.000	\$ 3.337	\$ 392.349
7. Balance June 30, 2009	\$ 128.225	\$ 17.979	\$ 68.101	\$ 74.206	\$ 0.000	\$ 0.720	\$ 289.231
8. Balance June 30, 2010	\$ 30.820	\$ 23.174	\$ 48.847	\$ 76.967	\$ 0.000	\$ 0.792	\$ 180.600
9. Balance June 30, 2011	\$ 0.100	\$ 11.154	\$ 0.054	\$ 74.589	\$ 0.000	\$ 3.339	\$ 89.235
10. Balance June 30, 2012	\$ 23.869	\$ 36.968	\$ 0.056	\$ 14.156	\$ 0.367	\$ 4.233	\$ 79.648
11. Balance June 30, 2013	\$ 135.138	\$ 49.049	\$ 0.057	\$ 15.492	\$ 0.942	\$ 3.424	\$ 204.103
12. Balance June 30, 2014	\$ 161.514	\$ 72.851	\$ 0.057	\$ 20.235	\$ 3.227	\$ 3.373	\$ 261.256
13. Balance June 30, 2015	\$ 243.821	\$ 90.948	\$ 0.057	\$ 25.409	\$ 3.492	\$ 2.795	\$ 366.522
14. Balance June 30, 2016	\$ 259.444	\$ 88.551	\$ 20.092	\$ 29.787	\$ 3.064	\$ 2.567	\$ 403.505
20. Balance June 30, 2017	\$ 318.746	\$ 85.043	\$ 0.370	\$ 33.584	\$ 8.866	\$ 53.901	\$ 500.510
FY 2018 Actuals							
21. Interest Earnings and Revenues		0.676	0.076	0.479	0.076	4.483	5.789
22. Transfers In (Out)				4.728	1.337		6.064
23. Disbursements		(21.369)		(1.296)	(5.000)	(16.910)	(44.575)
24. Transfers from GF §57-814 Δ 8.21%	34.484						34.484
25. End-of-Year Surplus Eliminator	60.296						60.296
26. Balance June 30, 2018	\$ 413.526	\$ 64.350	\$ 0.446	\$ 37.494	\$ 5.278	\$ 41.474	\$ 562.569
General Fund Revenue = \$ 3,731.6 11.1% 1.7% 0.0% 1.0% 0.1% 1.1% 15.1%							
The balance in Idaho's major reserve funds at the end of FY 2018 (line 26) was \$562.6 million or 15.1% of the FY 2018 General Fund Revenue Collections.							
* FY 2019 Estimates							
27. Interest Earnings and Revenues	0.373	0.826	0.036	0.279	0.074	5.291	6.879
28. Transfers In (Out)		32.210		5.000	2.277		39.487
29. Disbursements		(16.635)	(0.442)	(1.500)		(14.889)	(33.466)
30. Transfers from GF §57-814 Δ .50%							
31. End-of-Year Surplus Eliminator							
32. Estimate* June 30, 2019	\$ 413.899	\$ 80.752	\$ 0.041	\$ 41.273	\$ 7.629	\$ 31.877	\$ 575.470
General Fund Revenue = \$ 3,750.3 11.0% 2.2% 0.0% 1.1% 0.2% 0.8% 15.3%							
The balance in Idaho's major reserve funds at the end of FY 2019 (line 32) is estimated to be \$575.5 million or 15.3% of the FY 2019 General Fund Revenue Estimate.							
* FY 2020 Estimates							
33. Interest Earnings and Revenues	0.373	0.826	0.036	0.407	0.088		1.731
34. Transfers In (Out)		20.000		5.000		2.000	27.000
35. Disbursements				(1.685)			(1.685)
36. Transfers from GF §57-814 Δ 8.19%							
37. End-of-Year Surplus Eliminator							
38. Estimate* June 30, 2020	\$ 414.271	\$ 101.578	\$ 0.077	\$ 44.995	\$ 7.717	\$ 33.877	\$ 602.516
General Fund Revenue = \$ 4,057.4 10.2% 2.5% 0.0% 1.1% 0.2% 0.8% 14.8%							
The balance in Idaho's major reserve funds at the end of FY 2020 (line 38) is estimated to be \$602.5 million or 14.8% of the FY 2020 General Fund Revenue Estimate.							

State of Idaho Organizational Chart

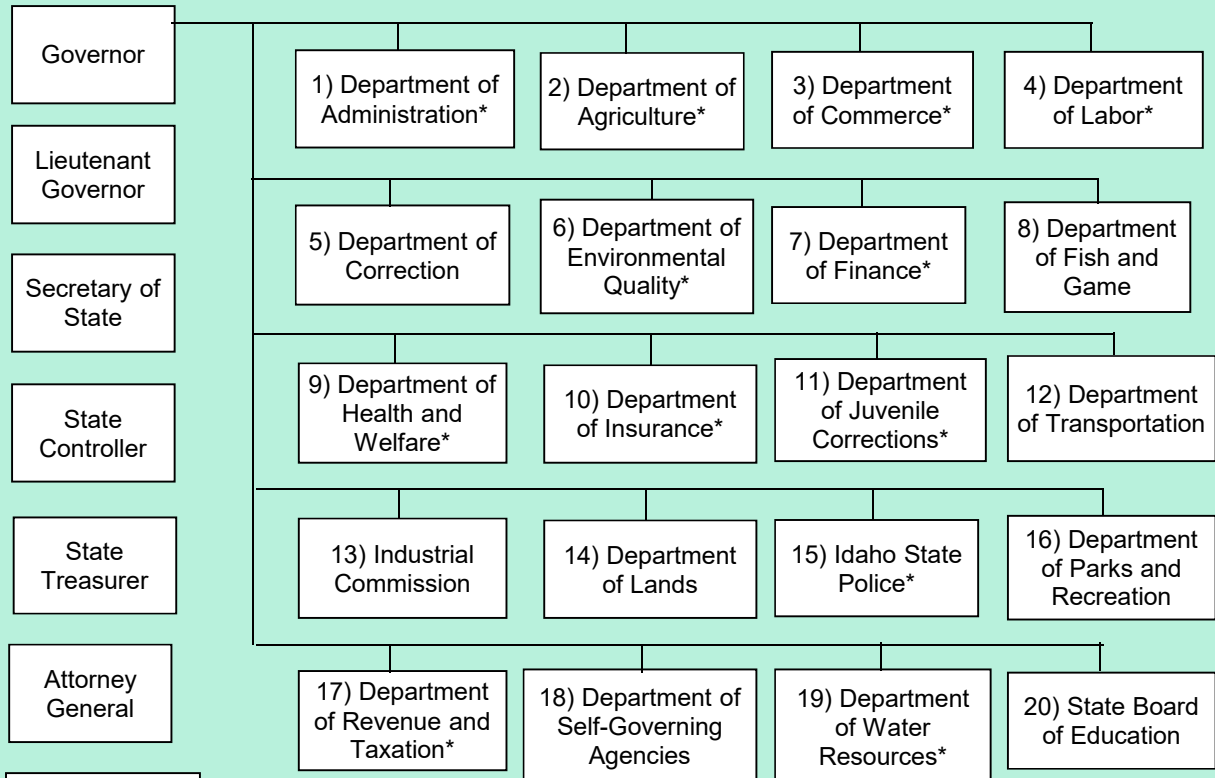
Article II, Section 1, Idaho State Constitution: The powers of the government of this state are divided into three distinct departments, the legislative, executive, and judicial; and no person or collection of persons charged with the exercise of powers properly belonging to one of these departments shall exercise any powers properly belonging to either of the others, except as in this constitution expressly directed or permitted.

Article III. Legislative Department (Branch)



IV. Executive Department (Branch)

Article IV, Section 20 limits the number of executive departments to 20. Section 67-2402, Idaho Code, lists the 20 executive departments of state government. Divisions and bureaus are the standard subunits of executive departments.



*The Governor appoints the directors of those departments marked with an asterisk. Exceptions in the Department of Self-Governing Agencies include the gubernatorial appointments of the Appellate Public Defender, the administrator of the Bureau of Occupational Licenses, and the administrator of Building Safety.

V. Judicial Department (Branch)



The lines of responsibility are complicated by 181 boards, commissions, councils, committees, associations, and other structures authorized by the Idaho Constitution, statute, or executive order. See the Secretary of State's *Idaho Bluebook* for a full listing.

Idaho Legislative Budget Book

Education

2019 Legislative Session

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Idaho Legislative Budget Book

Public School Support

2019 Legislative Session

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Public School Support

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Administrators	90,616,400	90,149,600	93,724,700	98,356,700	98,356,700
Teachers	924,988,500	906,836,100	970,079,600	1,065,053,700	1,042,740,800
Operations	653,649,000	657,846,200	687,765,800	721,408,300	703,609,900
Children's Programs	298,637,800	280,420,700	310,044,600	316,833,800	328,719,900
Facilities	48,486,600	48,486,600	53,545,700	61,754,800	59,174,400
Central Services	13,975,800	13,332,500	14,475,300	18,693,900	13,633,800
Deaf & Blind, Educational Svcs for the	10,884,300	10,551,600	10,979,400	11,673,500	11,373,200
Total:	2,041,238,400	2,007,623,300	2,140,615,100	2,293,774,700	2,257,608,700
BY FUND CATEGORY					
General	1,685,262,200	1,685,262,200	1,785,265,900	1,927,558,900	1,891,364,400
Dedicated	91,637,700	91,638,500	91,010,700	101,877,300	101,905,800
Federal	264,338,500	230,722,600	264,338,500	264,338,500	264,338,500
Total:	2,041,238,400	2,007,623,300	2,140,615,100	2,293,774,700	2,257,608,700
Percent Change:		(1.6%)	6.6%	7.2%	5.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	0	0	0	9,218,900	8,953,600
Operating Expenditures	13,975,800	12,725,900	14,475,300	21,000,900	15,905,800
Capital Outlay	0	1,200	0	147,600	147,600
Trustee/Benefit	10,884,300	11,800,300	0	0	0
Lump Sum	2,016,378,300	1,983,095,900	2,126,139,800	2,263,407,300	2,232,601,700
Total:	2,041,238,400	2,007,623,300	2,140,615,100	2,293,774,700	2,257,608,700

Department Description

The Public School Support budget provides state and federal funding to local school districts and public charter schools for public education, grades K-12, to meet the requirements of Article IX, Section 1, of the Idaho Constitution, which reads: "Legislature to Establish System of Free Schools: The stability of a republican form of government depending mainly upon the intelligence of the people, it shall be the duty of the legislature of Idaho, to establish and maintain a general, uniform and thorough system of public, free common schools."

Public School Support

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	1,785,265,900	2,140,615,100	0.00	1,785,265,900	2,140,615,100
Supplementals						
Operations						
1. Keep Idaho Students Safe	0.00	18,500,000	18,500,000	0.00	0	0
Central Services						
1. Keep Idaho Students Safe	0.00	610,000	610,000	0.00	0	0
FY 2019 Total Appropriation	0.00	1,804,375,900	2,159,725,100	0.00	1,785,265,900	2,140,615,100
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	0.00	1,804,375,900	2,159,725,100	0.00	1,785,265,900	2,140,615,100
Removal of Onetime Expenditures	0.00	(19,549,600)	(19,549,600)	0.00	(1,049,600)	(1,049,600)
FY 2020 Base	0.00	1,784,826,300	2,140,175,500	0.00	1,784,216,300	2,139,565,500
Benefit Costs	0.00	6,276,200	6,276,200	0.00	6,188,400	6,188,400
Replacement Items	0.00	147,600	147,600	0.00	119,100	147,600
Public School Salary Change	0.00	2,448,800	2,448,800	0.00	7,341,700	7,341,700
Change in Employee Compensation	0.00	34,300	34,300	0.00	103,000	103,000
Nondiscretionary Adjustments	0.00	77,103,400	87,035,600	0.00	69,516,900	79,449,100
Endowment Adjustments	0.00	(934,400)	0	0.00	(934,400)	0
FY 2020 Program Maintenance	0.00	1,869,902,200	2,236,118,000	0.00	1,866,551,000	2,232,795,300
Line Items						
Administrators						
1. Administrators Addl 2% Salary Increase	0.00	1,884,200	1,884,200	0.00	0	0
Teachers						
1. Additional Career Ladder Funds	0.00	27,778,700	27,778,700	0.00	0	0
2. Teacher Pipeline Legislation	0.00	980,000	980,000	0.00	0	0
3. Teacher Pay Raise	0.00	0	0	0.00	11,229,400	11,229,400
Operations						
1. Classroom Technology	0.00	3,000,000	3,000,000	0.00	0	0
2. Discretionary for Health Insurance	0.00	7,438,100	7,438,100	0.00	0	0
3. Additional Discretionary	0.00	7,360,300	7,360,300	0.00	0	0
4. Classified Addl 2% Salary Increase	0.00	3,006,100	3,006,100	0.00	0	0
Children's Programs						
1. Mastery-Based Education	0.00	1,050,000	1,050,000	0.00	0	0
2. Literacy Proficiency	0.00	0	0	0.00	13,156,500	13,156,500
Central Services						
1. Keep Idaho Students Safe	0.00	990,000	990,000	0.00	0	0
2. Mastery-Based Education	0.00	350,000	350,000	0.00	0	0
3. Professional Development	0.00	2,000,000	2,000,000	0.00	0	0
4. Math Initiative	0.00	1,110,100	1,110,100	0.00	0	0
Educational Services for the Deaf & Blind						
1. Career Ladder Equivalence	0.00	279,800	279,800	0.00	279,800	279,800
2. Speech-Language Pathologist	0.00	86,700	86,700	0.00	86,100	86,100
3. IT Specialist	0.00	76,700	76,700	0.00	0	0
4. Sign Language Interpreter	0.00	79,500	79,500	0.00	0	0
5. Paraprofessional Classified Staff	0.00	69,200	69,200	0.00	61,600	61,600
6. Classroom and Office Technology	0.00	35,000	35,000	0.00	0	0
7. Orientation/Mobility Instructor	0.00	82,300	82,300	0.00	0	0
FY 2020 Total	0.00	1,927,558,900	2,293,774,700	0.00	1,891,364,400	2,257,608,700
Chg from FY 2019 Orig Approp.	0.00	142,293,000	153,159,600	0.00	106,098,500	116,993,600
% Chg from FY 2019 Orig Approp.		8.0%	7.2%		5.9%	5.5%

Public School Support Agency Profile

Analyst: Lockett

Governor's Task Force for Improving Education

In 2012, the Governor directed the State Board of Education to oversee a collaborative effort to improve K-12 education in Idaho. This effort resulted in the Task Force for Improving Education (K-12). A report released by the task force in September of 2013 included 20 recommendations for structural change, fiscal stability, and for creating effective teachers and leaders. Column (a) in the table below shows the total amount of funding appropriated the past four fiscal years, which is included in the FY 2019 Public Schools appropriation. Column (b) shows the amount in the FY 2020 request from the Superintendent of Public Instruction and column (c) is the Governor's recommendation. Columns (b) and (c) include what is already in the ongoing appropriation plus the new funds requested or recommended for FY 2020. The task force's report can be accessed at <http://www.boardofed.idaho.gov/>.

		(a)	(b)	(c)
		FY 2020 Base	FY 2020 Supt. Request	FY 2020 Governor's Rec.
All Dollars in Millions				
Structural Changes				
1	Mastery Based System	\$1.4	\$2.8	\$1.4
2	Idaho Core Standards			
3	Literacy Proficiency	13.2	13.2	26.3
4	Advanced Opportunities	15.0	18.0	18.0
5	Accountability for Student Outcomes			
6	Empower Autonomy			
7	Strategic Planning (see #18)			
8	Electronic Collaboration System (IMS)	3.0	3.0	3.0
9	Bandwidth / Wireless Infrastructure	36.5	39.5	36.5
10	Educator and Student Technology Devices			
Subtotal		\$69.1	\$76.5	\$85.2
Fiscal Stability, Effective Teachers and Leaders				
11	Restore Operational Funding to \$25,696/Unit	\$117.6 ²	\$143.7	\$143.7
12	Career Ladder Compensation	176.7	251.6	235.0
13	Enrollment Model of Funding			
14	Tiered Licensure			
15	Mentoring Program			
16	Job-Embedded Professional Learning	21.5	24.5	21.5
17	Site-Based Collaboration Teachers/Leaders			
18	Training Admins., Supts., School Boards	0.7 ³	0.7	0.7
19	Enhanced Pre-Service Teaching Opportunities			
20	Recommendations for Teacher Preparation			
Subtotal		\$316.5	\$420.5	\$400.9
Grand Total		\$385.6	\$497.0	\$486.1

1. \$2.7 million was appropriated for broadband connectivity in the Superintendent of Public Instruction's budget. \$2.1 million has been appropriated for wireless technology each year for FY 2015 through FY 2018, but on a onetime basis. In FY 2019, the funding for these items was moved into the Classroom Technology line item where \$36.5 million is to be distributed to school districts and charter schools.

2. The goal of reaching \$25,696 per support unit was met with the addition of \$122.9 million above the maintenance level. The amount for FY 2019 is \$27,481 per support unit.

3. This denotes \$652,000 in the Public Schools budget for continuous improvement planning.

Public School Support

Agency Profile

Analyst: Lockett

FY 2019 Appropriation, FY 2020 Superintendent's Budget Request, and FY 2020 Governor's Recommendation

Source of Funds		FY 2019 Original Appropriation	FY 2020 Supt. Ybarra Request	FY 2020 Governor's Recommendation
General Fund		\$1,785,265,900	\$1,927,558,900	\$1,891,364,400
Dedicated Funds		\$91,010,700	\$101,877,300	\$101,905,800
Federal Funds		\$264,338,500	\$264,338,500	\$264,338,500
TOTAL FUNDS		\$2,140,615,100	\$2,293,774,700	\$2,257,608,700
<i>General Fund Percent Change from Previous Year:</i>		5.9%	8.0%	5.9%
<i>Total Funds Percent Change from Previous Year:</i>		4.9%	7.2%	5.5%
Statutory Distributions				
	Idaho Code			
1	Transportation	\$33-1006, \$33-1002(2)(b)	\$73,010,000	\$75,334,700
2	Border Contracts	\$33-1002(2)(d), \$33-1403	1,200,000	1,200,000
3	Exceptional Contracts/Tuition Equivalents	\$33-1002(2)(a)(e), \$33-2004	5,390,900	5,761,000
4	Salary-based Apportionment	\$33-1002(2)(f), \$33-1004E(4)(5)	203,518,300	212,578,600
5	State Paid Employee Benefits	\$33-1004F	38,180,000	41,197,800
6	Career Ladder Salaries	\$33-1004B	761,566,200	824,813,100
7	Career Ladder Benefits	\$33-1004F	142,869,800	160,370,000
8	Bond Levy Equalization	\$33-906, -906A, -906B	23,184,500	25,968,300
9	Idaho Digital Learning Academy	\$33-1020, \$33-1002(2)(j)	9,788,500	12,157,600
10	Idaho Safe and Drug-Free Schools	\$63-2506, -2552A(3), -3067	4,024,900	4,024,900
11	Math and Science Requirement	\$33-1021, \$33-1002(2)(n)	5,930,000	6,590,900
12	Advanced Opportunities	\$33-4602, -4605, \$33-1002(2)(m)	15,000,000	18,000,000
13	National Board Teacher Certification	\$33-1004E(2)	90,000	90,000
14	Facilities (Lottery)	\$33-905, \$67-7434	18,562,500	22,842,500
15	Facilities State Match (General Fund)	\$33-1019	3,905,000	4,104,000
16	Facilities (Charter School Funding)	\$33-5208(5), \$33-1002(2)(k)	7,893,700	8,840,000
17	Leadership Premiums	\$33-1002(2)(o), \$33-1004J	17,773,600	18,400,700
18	Continuous Improvement Plans and Training	\$33-320(4)	652,000	652,000
19	Mastery Based System	\$33-1002(2)(s), \$33-1632	1,400,000	2,800,000
20	Online Class Portal	\$33-1024, \$33-1002(2)(e)	150,000	150,000
21	Literacy Proficiency	\$33-1002(2)(r), \$33-1614-1616	13,156,500	13,156,500
22	Academic and College/Career Advisors	\$33-1002(2)(q), -1212A	9,000,000	9,000,000
23	Innovation Schools	\$33-5804(3)	100,000	100,000
24	Master Educator Premiums (Sal. and Bene.)	\$33-1004I	-	11,959,000
25	Sub-total -- Statutory Requirements	\$1,356,346,400	\$1,480,091,600	\$1,467,714,400
Other Program Distributions				
26	Math Initiative		\$1,817,800	\$1,817,800
27	Remediation Based on ISAT		5,456,300	5,456,300
28	Limited English Proficiency (LEP)		4,870,000	4,870,000
29	District and Charter IT Staffing		8,000,000	8,000,000
30	Distributed Technology Funds (Classroom, WiFi, IMS)		36,500,000	39,500,000
31	Student Achievement Assessments		3,100,000	2,258,500
32	Professional Development, Gifted/Talented, and Teacher Pipeline		21,550,000	24,530,000
33	Content and Curriculum		6,350,000	6,350,000
34	Bureau of Services for the Deaf and Blind (Campus)		7,023,000	7,468,800
35	Bureau of Services for the Deaf and Blind (Outreach)		3,956,400	4,204,700
36	Keep Idaho Students Safe (KISS)		0	1,600,000
37	Federal Funds for Local School Districts		264,115,000	264,115,000
38	Sub-total -- Other Program Distributions	\$362,738,500	\$371,281,200	\$362,290,800
39	TOTAL CATEGORICAL EXPENDITURES (row 25 + row 38)	\$1,719,084,900	\$1,851,372,800	\$1,830,005,200
40	STATE DISCRETIONARY FUNDS (Total Funds - row 39)	\$421,530,200	\$442,401,900	\$427,603,500
41	ESTIMATED SUPPORT UNITS	15,339	15,560	15,560
42	STATE DISCRETIONARY \$ PER SUPPORT UNIT (row 38 / row 39)	\$27,481	\$28,432	\$27,481
<i>Discretionary Funding per Support Unit, Change from Previous Year:</i>		2.7%	3.5%	0.0%

Public School Funding Formula Terminology

Support Units are the foundation of how schools in Idaho receive funding, and are often thought of, and referred to, as classroom units. The state does not fund school districts based on the number of students; it funds them based on the number of support units. Support units are based on the number of students counted via average daily attendance calculations in multiple categories, such as kindergarten, elementary, and secondary. These student counts are then divided by a series of divisors found in Section 33-1002, Idaho Code. For example, a school district with 464 students (categorized as secondary students in grades 7-12) is assigned a divisor of 16, which means that the school district would receive 29 support units of funding. School districts with more students have larger divisors, while smaller districts receive smaller divisors. As a result, a small district needs fewer students than a larger district to generate the same amount of support units. Some of the reasons for this are that larger districts can usually operate more efficiently, with greater economies of scale, than small districts, and that small districts still need to be able to offer students a thorough, comprehensive education, notwithstanding their smaller class size and fixed costs that may be similar to those in larger districts.

Staff Allowance establishes the number of staff positions funded by each support unit. Section 33-1004, Idaho Code, sets these levels at 1.021 for instructional staff, 0.079 for pupil service staff, 0.075 for administrative staff, and 0.375 for classified staff. Pupil service staff include positions such as school counselors, librarians, and special education instructors. The total staff allowance is 1.55.

The **Base Salary** for FY 2019 is assigned for administrators at \$36,186 and for classified staff at \$21,665 in Section 33-1004E, Idaho Code.

The **Experience/Education Index** provides a salary multiplier for administrative staff only (the classified staff portion of the formula ends with the base salary funding component). This component of the formula provides more funding for administrators with more experience and education than it does for those who are less experienced and educated. This table of multipliers, which runs from zero years of experience to 13+ years, includes seven different levels of educational achievement and is found in Section 33-1004A, Idaho Code.

Salary-Based Apportionment is the result of the multi-part funding formula that includes support units, base salaries, staff allowances, the experience/education index, and the career ladder.

The **Career Ladder** is a statewide salary schedule for instructional and pupil service staff that is used to determine the amount of funding appropriated and allocated to school districts. Movement on the schedule is based on professional endorsements earned, and evaluations by school district administrators. The career ladder salary schedule is found in Section 33-1004B, Idaho Code.

State-Paid Employee Benefits include the employer's (school district) share of Public Employee Retirement System of Idaho (PERSI) contributions at 11.32% and Federal Insurance Contributions Act (FICA) taxes at a rate of 7.65% of salary. A PERSI contribution rate change is scheduled to take effect in FY 2020, which is equal to a 5.5% increase. The employer contribution rate is scheduled to increase from 11.32% to 11.94% of each employee's salary. Funding is based on the salary that the state provides. If a school district employs more personnel or pays higher salaries than the state funds, then the additional PERSI and FICA costs are borne by the school district.

Discretionary Funds are appropriated dollars that are not needed to satisfy either the funding formula requirements of Idaho Code, or line item distributions in the appropriation bill. These dollars are added to salary-based apportionment and state-paid employee benefit funds. Discretionary funds can be spent in any way the district chooses, based on locally-established priorities. Health insurance premiums and utility payments are two examples of how discretionary funds are spent at the local level.

Public School Support Agency Profile

Analyst: Lockett

FY 2020 Public School Funding Formula

At the core of Idaho's Public Schools funding system is a formula that determines the amount of money that each school district is entitled to receive for salaries, benefits, and discretionary funding. Salaries for instructional and pupil service staff are determined by the career ladder salary schedule in Section 33-1004B and E, Idaho Code.

Administrators	Instructional / Pupil Service	Classified
1. Support Units multiplied by 2. Staff Allowance multiplied by 3. Base Salary multiplied by 4. Experience/Education Index = Salary-Based Apportionment	1. Support Units multiplied by 2. Staff Allowance multiplied by 3. Avg. Career Ladder Base Allocation = Salary-Based Apportionment	1. Support Units multiplied by 2. Staff Allowance multiplied by 3. Base Salary = Salary-Based Apportionment

The product of the above calculation, which is done for each school district in the state, is called the district's salary-based apportionment. It is then multiplied by the state-paid employee benefits, which are currently estimated at 19.38% and include the employer costs for PERSI, FICA, and unemployment insurance.

Salary-Based Apportionment

multiplied by

State-Paid Variable Benefit
Rate at 19.38%

= State-Paid Employee Benefits

The final step of the core funding formula is then calculated. To do this, the Legislature must first establish, in the Public Schools Division of Operations budget, the amount of discretionary funds that are available on a per unit basis. For example, in FY 2019, \$421,530,200 was available to be disbursed among an estimated 15,339 support units, resulting in \$27,481 per support unit.

Available Discretionary Funds

divided by

Estimated Support Units

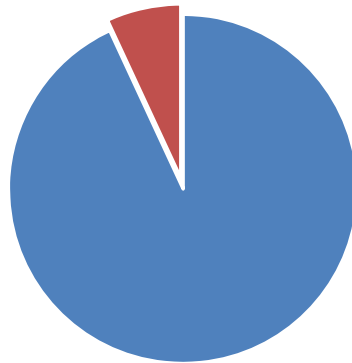
= Per Unit Discretionary Funds

Public School Support Agency Profile

Analyst: Lockett

School District and Charter School Enrollment During the 2017 - 2018 School Year was 302,469 Students

Enrollment in 52 Charter Schools was 21,936, or 7.3%



Enrollment in 115 districts was 280,533, or 92.1%

During the 2017-2018 school year, fall enrollment at public charter schools was 21,936 or 7.3%, of the total statewide K-12 enrollment. Enrollment at charter schools has increased an average of 1,168 students per year over the past 18 years. However, growth has slowed to an average of 642 students per year over the past four years.

School Year Metrics

	2011 - 2012	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019
Fall Enrollment	281,772	287,247	289,063	291,022	294,471	298,787	302,469	Not avail yet
Mid-Term Avg. Daily Attend.	268,324	266,483	273,110	276,033	279,300	282,848	286,236	Not avail yet
Mid-Term Support Units	14,278	14,330	14,555	14,683	14,862	15,064	15,247	15,404 (est)
Best 28 Wks Support Units	14,200	14,278	14,472	14,601	14,806	15,020	15,177	15,339 (est)
Original Appropriation (in millions)								
General Fund	\$1,224	\$1,280	\$1,308	\$1,375	\$1,476	\$1,585	\$1,685	\$1,785
Dedicated Funds	69	67	75	87	74	78	92	91
Federal Funds	269	220	215	215	264	264	264	264
Total	\$1,561	\$1,567	\$1,598	\$1,677	\$1,814	\$1,927	\$2,041	\$2,141
General Fund % Change from Previous Year	0.8%	4.6%	2.2%	5.1%	7.4%	7.4%	6.3%	5.9%
Total Funds % Change from Previous Year	-1.3%	0.4%	2.0%	4.9%	8.2%	6.2%	6.0%	4.9%
Discretionary Funds per Support Unit	\$19,626	\$19,706	\$20,000	\$22,401	\$23,868	\$25,696	\$26,748	\$27,481

* The discretionary funds / support unit for the 2010/2011 school year included \$59.9 million of onetime moneys to comply with American Recovery and Reinvestment Act (ARRA) maintenance of effort requirements.

Sources: Legislative Fiscal Reports at <http://legislature.idaho.gov/budget/publications.htm> and <http://www.sde.idaho.gov/finance>

Administrators

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	90,616,400	90,149,600	93,724,700	98,356,700	98,356,700
Percent Change:		(0.5%)	4.0%	4.9%	4.9%
BY OBJECT OF EXPENDITURE					
Lump Sum	90,616,400	90,149,600	93,724,700	98,356,700	98,356,700

Division Description

The Administrators Division provides state support for salaries and benefits of administrators (superintendents, assistant superintendents, principals, assistant principals, and program directors) in Idaho's 115 school districts and 62 public charter schools, grades K-12.

Administrators

Comparative Summary

Analyst: Lockett

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	93,724,700	93,724,700	0.00	93,724,700	93,724,700
FY 2020 Base	0.00	93,724,700	93,724,700	0.00	93,724,700	93,724,700
Benefit Costs	0.00	497,800	497,800	0.00	497,900	497,900
Public School Salary Change	0.00	942,200	942,200	0.00	2,826,300	2,826,300
Nondiscretionary Adjustments	0.00	1,307,800	1,307,800	0.00	1,307,800	1,307,800
FY 2020 Program Maintenance	0.00	96,472,500	96,472,500	0.00	98,356,700	98,356,700
1. Administrators Addl 2% Salary Increase	0.00	1,884,200	1,884,200	0.00	0	0
FY 2020 Total	0.00	98,356,700	98,356,700	0.00	98,356,700	98,356,700
Change from Original Appropriation	0.00	4,632,000	4,632,000	0.00	4,632,000	4,632,000
% Change from Original Appropriation		4.9%	4.9%		4.9%	4.9%

Administrators

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	93,724,700	0	0	93,724,700
FY 2020 Base					
Agency Request	0.00	93,724,700	0	0	93,724,700
Governor's Recommendation	0.00	93,724,700	0	0	93,724,700

Benefit Costs

The request is for \$497,800 ongoing from the General Fund, which is equal to a 5.5% increase, for the PERSI contribution rate increase that is scheduled to take effect in FY 2020 (employer contribution rate scheduled to go from 11.32% to 11.94% of each employee's salary).

Agency Request	0.00	497,800	0	0	497,800
<i>Recommended by the Governor, with a \$100 difference due to rounding.</i>					
Governor's Recommendation	0.00	497,900	0	0	497,900

Public School Salary Change

Agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees, from \$36,186 to \$36,548. For the Administrators Division, this includes salaries at \$791,500 and state-paid employee benefits at \$150,700, for a total of \$942,200.

Agency Request	0.00	942,200	0	0	942,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	2,826,300	0	0	2,826,300

Nondiscretionary Adjustments

An estimated nondiscretionary increase of 219 mid-term support units will require \$1,307,800 from the General Fund. Of this amount, \$1,098,600 is for salaries and \$209,200 is for state-paid employee benefits.

Agency Request	0.00	1,307,800	0	0	1,307,800
Governor's Recommendation	0.00	1,307,800	0	0	1,307,800

FY 2020 Program Maintenance					
Agency Request	0.00	96,472,500	0	0	96,472,500
Governor's Recommendation	0.00	98,356,700	0	0	98,356,700

1. Administrators Addl 2% Salary Increase

This request is for an additional 2% salary increase, above the 1% change in employee compensation placeholder, for administrators. If funded, the base salary for administrators will go from \$36,186 to \$37,272, and will require \$1,582,900 for salaries and \$301,300 for the state-paid employee benefits.

Agency Request	0.00	1,884,200	0	0	1,884,200
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Total					
Agency Request	0.00	98,356,700	0	0	98,356,700
Governor's Recommendation	0.00	98,356,700	0	0	98,356,700
Agency Request					
Change from Original App	0.00	4,632,000	0	0	4,632,000
% Change from Original App		4.9%			4.9%
Governor's Recommendation					
Change from Original App	0.00	4,632,000	0	0	4,632,000
% Change from Original App		4.9%			4.9%

Teachers

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	909,988,500	896,808,000	955,079,600	1,050,053,700	1,027,740,800
Federal	15,000,000	10,028,100	15,000,000	15,000,000	15,000,000
Total:	924,988,500	906,836,100	970,079,600	1,065,053,700	1,042,740,800
Percent Change:		(2.0%)	7.0%	9.8%	7.5%
BY OBJECT OF EXPENDITURE					
Lump Sum	924,988,500	906,836,100	970,079,600	1,065,053,700	1,042,740,800

Division Description

The Teachers Division provides state and federal funding support for instructional and pupil service staff salaries and benefits, and other programs specific to certificated instructors in Idaho's 115 school districts and 62 public charter schools, grades K-12.

Teachers

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	955,079,600	970,079,600	0.00	955,079,600	970,079,600
FY 2020 Base	0.00	955,079,600	970,079,600	0.00	955,079,600	970,079,600
Benefit Costs	0.00	4,972,300	4,972,300	0.00	4,972,300	4,972,300
Nondiscretionary Adjustments	0.00	61,243,100	61,243,100	0.00	56,459,500	56,459,500
FY 2020 Program Maintenance	0.00	1,021,295,000	1,036,295,000	0.00	1,016,511,400	1,031,511,400
1. Additional Career Ladder Funds	0.00	27,778,700	27,778,700	0.00	0	0
2. Teacher Pipeline Legislation	0.00	980,000	980,000	0.00	0	0
3. Teacher Pay Raise	0.00	0	0	0.00	11,229,400	11,229,400
FY 2020 Total	0.00	1,050,053,700	1,065,053,700	0.00	1,027,740,800	1,042,740,800
Change from Original Appropriation	0.00	94,974,100	94,974,100	0.00	72,661,200	72,661,200
% Change from Original Appropriation		9.9%	9.8%		7.6%	7.5%

Teachers

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	955,079,600	0	15,000,000	970,079,600
FY 2020 Base					
Agency Request	0.00	955,079,600	0	15,000,000	970,079,600
Governor's Recommendation	0.00	955,079,600	0	15,000,000	970,079,600

Benefit Costs

The request is for \$4,972,300 ongoing from the General Fund, which is equal to a 5.5% increase, for the PERSI contribution rate increase that is scheduled to take effect in FY 2020 (employer contribution rate scheduled to go from 11.32% to 11.94% of each employee's salary).

Agency Request	0.00	4,972,300	0	0	4,972,300
Governor's Recommendation	0.00	4,972,300	0	0	4,972,300

Nondiscretionary Adjustments

Nondiscretionary adjustments include the fifth and final year of the career ladder compensation system for Idaho's educational instructors. This system was created by H296 of 2015. The amount requested for FY 2020 is \$47,996,100, of which \$40,414,400 is for salaries and \$7,581,700 is for benefits.

Adjustments also include a request for \$11,959,000 for the estimated distribution amount necessary for master educator premiums, as established in Section 33-1004I, Idaho Code. Of the amount, \$10,000,000 is for salaries and \$1,959,000 is for benefits.

There is also a statutory increase of \$627,100 for leadership awards and premiums due to increased full-time equivalent instructional and pupil service positions (FTP). The increase is a result of 526.00 additional FTP working in the public school system, going from 17,576.00 FTP to 18,102.00 FTP. These premiums are set in statute (Section 33-1004J, Idaho Code), which requires \$850, plus employer benefit costs, to be distributed to school districts and charter schools for each FTP.

Lastly, there is an increase of \$660,900 for additional high school math and science requirements (Section 33-1021, Idaho Code).

All of these nondiscretionary adjustments net to \$61,243,100.

Agency Request	0.00	61,243,100	0	0	61,243,100
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The Governor recommends \$7,175,400 (\$6,000,000 for salaries and \$1,175,400 for benefit costs) for the estimated cost of master educator premiums, not \$11,959,000. All other adjustments are recommended.

Governor's Recommendation	0.00	56,459,500	0	0	56,459,500
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FY 2020 Program Maintenance					
Agency Request	0.00	1,021,295,000	0	15,000,000	1,036,295,000
Governor's Recommendation	0.00	1,016,511,400	0	15,000,000	1,031,511,400

Teachers

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Additional Career Ladder Funds					
This request is for \$27,778,700 ongoing from the General Fund to increase the base allocations for year-five of the career ladder compensation system for Idaho's educational instructors. Specifically, the request includes the following increases to year-five of the career ladder as outlined in Section 33-1004B, Idaho Code:					
Residential 1: \$37,000 --> \$37,200 (an increase of \$200 or 0.50%)					
Residential 2: \$38,000 --> \$38,400 (an increase of \$400 or 1.00%)					
Residential 3: \$39,000 --> \$39,600 (an increase of \$600 or 1.50%)					
Professional 1: \$42,500 --> \$43,400 (an increase of \$900 or 2.00%)					
Professional 2: \$44,375 --> \$45,500 (an increase of \$1,125 or 2.50%)					
Professional 3: \$46,250 --> \$47,600 (an increase of \$1,350 or 3.00%)					
Professional 4: \$48,125 --> \$49,800 (an increase of \$1,675 or 3.50%)					
Professional 5: \$50,000 --> \$52,000 (an increase of \$2,000 or 4.00%)					
Agency Request	0.00	27,778,700	0	0	27,778,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

2. Teacher Pipeline Legislation

This request is for \$980,000 ongoing from the General Fund to help address the teacher shortage in Idaho's rural school districts and charter schools. The Superintendent of Public Instruction plans to propose legislation during the 2019 legislative session to implement three programs. These programs would be administered by the State Department of Education in coordination with the State Board of Education. Specifically, the programs are as follows:

1. Grow Your Own: This program would involve partnership agreements between the State Department of Education, the State Board of Education, and partnering school districts. The program would require an individual to be enrolled at a participating higher education institution and employed with a rural school district in a teaching position (teacher of record, paraprofessional, provisional). The program would pay for up to the last 40 credits of course work. In exchange for payment of tuition, the individual is required to work in the same school or district for three years after course completion at the institution of higher education. This program is limited by the budget to 25 new individuals annually, with a limit on the number of grants distributed to each school or district. Grants would be prioritized based on schools or districts experiencing a teacher shortage in a certain grade level or content area. The department has budgeted \$500,000 annually for this program and it will sunset after five years.

2. Rural Teacher Fellowship: This program is for individuals enrolled in an Idaho public postsecondary teacher preparation program who commit to teach in a rural school or district for two years following completion of the fellowship. The Department of Education would identify geographic areas within the state and specific content areas where shortages exist. Each fellow receives up to \$10,000 to use for costs of attendance during the fellowship year, with 60 percent of the cost provided by the state, and 40 percent provided by the participating institution of higher education. The program would accommodate up to 50 fellows. The department has budgeted \$300,000 annually for this program and it will sunset after five years.

3. Certification and Retention Bonus: This program would provide a \$6,000 stipend for up to 30 teachers completing the required course work leading to certification, or completing an approved alternative licensure program leading to initial certification and full-time employment in a rural school district or charter school. Stipends could be used to cover tuition and other costs associated with an institution of higher education or alternative licensure program approved by the State Board of Education. Individuals receiving the stipend are required to commit to teaching in the specific district for three years. The department has budgeted \$180,000 annually for this program and it will sunset after five years.

Agency Request	0.00	980,000	0	0	980,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Teachers

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Teacher Pay Raise					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends raising starting teacher salaries to \$40,000 by increasing the three career ladder residency levels by \$3,000 each. Salary apportionment will increase by \$9,406,400 and benefits will increase by \$1,823,000, for a total of \$11,229,400 from the General Fund. The Governor will appoint a public education task force, which will address teacher pay at all levels of the career ladder.</i>					
Governor's Recommendation	0.00	11,229,400	0	0	11,229,400
FY 2020 Total					
Agency Request	0.00	1,050,053,700	0	15,000,000	1,065,053,700
Governor's Recommendation	0.00	1,027,740,800	0	15,000,000	1,042,740,800
Agency Request					
Change from Original App	0.00	94,974,100	0	0	94,974,100
% Change from Original App		9.9%		0.0%	9.8%
Governor's Recommendation					
Change from Original App	0.00	72,661,200	0	0	72,661,200
% Change from Original App		7.6%		0.0%	7.5%

Operations

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	597,599,400	601,796,600	632,440,200	662,148,300	644,349,900
Dedicated	56,049,600	56,049,600	55,325,600	59,260,000	59,260,000
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Total:	653,649,000	657,846,200	687,765,800	721,408,300	703,609,900
Percent Change:		0.6%	4.5%	4.9%	2.3%
BY OBJECT OF EXPENDITURE					
Lump Sum	653,649,000	657,846,200	687,765,800	721,408,300	703,609,900

Division Description

The Operations Division provides state and federal funding in support of the operation of Idaho's 115 school districts and 62 charter schools, grades K-12. This division includes pupil transportation, salaries and benefits for classified staff, technology, and discretionary funds that can be used for any educational support services or general operations.

Operations

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	632,440,200	687,765,800	0.00	632,440,200	687,765,800
1. Keep Idaho Students Safe	0.00	18,500,000	18,500,000	0.00	0	0
FY 2019 Total Appropriation	0.00	650,940,200	706,265,800	0.00	632,440,200	687,765,800
Removal of Onetime Expenditures	0.00	(18,500,000)	(18,500,000)	0.00	0	0
FY 2020 Base	0.00	632,440,200	687,765,800	0.00	632,440,200	687,765,800
Benefit Costs	0.00	795,000	795,000	0.00	794,400	794,400
Public School Salary Change	0.00	1,506,600	1,506,600	0.00	4,515,400	4,515,400
Nondiscretionary Adjustments	0.00	7,536,400	10,536,400	0.00	7,534,300	10,534,300
Endowment Adjustments	0.00	(934,400)	0	0.00	(934,400)	0
FY 2020 Program Maintenance	0.00	641,343,800	700,603,800	0.00	644,349,900	703,609,900
1. Classroom Technology	0.00	3,000,000	3,000,000	0.00	0	0
2. Discretionary for Health Insurance	0.00	7,438,100	7,438,100	0.00	0	0
3. Additional Discretionary	0.00	7,360,300	7,360,300	0.00	0	0
4. Classified Addl 2% Salary Increase	0.00	3,006,100	3,006,100	0.00	0	0
FY 2020 Total	0.00	662,148,300	721,408,300	0.00	644,349,900	703,609,900
Change from Original Appropriation	0.00	29,708,100	33,642,500	0.00	11,909,700	15,844,100
% Change from Original Appropriation		4.7%	4.9%		1.9%	2.3%

Operations

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	632,440,200	55,325,600	0	687,765,800

1. Keep Idaho Students Safe

This supplemental appropriation request is for \$18,500,000, onetime, from the General Fund, to enhance the safety profile of schools. This request is one component of the Keep Idaho Students Safe (KISS) initiative proposed by the Superintendent of Public Instruction that focuses on security infrastructure, training, equipment, and supplies. The total request for this initiative is \$19,110,000 for FY 2019. If approved, these funds will be distributed on a formula basis to every school district and charter school after an application is submitted to the State Department of Education. The grants will focus on security (such as emergency communication tools, access control measures, public address systems, etc.) to best prepare staff and students to improve school safety and to address vulnerabilities identified by school safety threat assessments. The reason for this request is to provide increased support for the safety of students, staff, and property in public schools.

Agency Request	0.00	18,500,000	0	0	18,500,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Total Appropriation					
Agency Request	0.00	650,940,200	55,325,600	0	706,265,800
Governor's Recommendation	0.00	632,440,200	55,325,600	0	687,765,800

Removal of Onetime Expenditures

Removes \$18,500,000 in onetime FY 2019 supplemental funding for the Keep Idaho Students Safe initiative, if approved.

Agency Request	0.00	(18,500,000)	0	0	(18,500,000)
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	0.00	632,440,200	55,325,600	0	687,765,800
Governor's Recommendation	0.00	632,440,200	55,325,600	0	687,765,800

Benefit Costs

The request is for \$795,000 ongoing from the General Fund, which is equal to a 5.5% increase, for the PERSI contribution rate increase that is scheduled to take effect in FY 2020 (employer contribution rate scheduled to go from 11.32% to 11.94% of each employee's salary).

Agency Request	0.00	795,000	0	0	795,000
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Recommended by the Governor, with a \$600 difference due to rounding.

Governor's Recommendation	0.00	794,400	0	0	794,400
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Public School Salary Change

Agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees, moving the base salary from \$21,665 to \$21,882. For the Operations Division, this includes salaries at \$1,265,600 and state-paid employee benefits at \$241,000 for a net placeholder of \$1,506,600.

Agency Request	0.00	1,506,600	0	0	1,506,600
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	4,515,400	0	0	4,515,400
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Operations

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Nondiscretionary Adjustments

Nondiscretionary adjustments include an estimated increase of 219 mid-term support units that require \$2,138,400 from the General Fund for salaries and benefits. Of this amount, \$1,796,400 is for salaries and \$342,000 is for benefits.

The second nondiscretionary adjustment includes \$2,324,700 for the estimated increase in pupil transportation, calculated at 1.0% growth per year over the FY 2018 distribution of \$73,850,300 (or an increase of 3.2% from the FY 2019 original appropriation).

The adjustments also include \$6,073,300 to meet the demands of student growth in discretionary funding per support unit, calculated for the best 28 weeks of average daily attendance counts, at \$27,481 per unit. This is due to an estimated increase of 221 support units, moving from 15,339 to 15,560.

The last nondiscretionary adjustment includes a decrease of \$3,000,000 ongoing from the General Fund and an increase of \$3,000,000 ongoing from the Public Schools Other Income Fund due to an unused cash balance in that fund. The ongoing revenue in that fund is expected to increase, as well. This action nets to zero to maintain the discretionary funds per support unit at \$27,481.

All of these items net to a total of \$10,536,400 for nondiscretionary adjustments.

Agency Request	0.00	7,536,400	3,000,000	0	10,536,400
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The Governor's recommendation is \$2,100 less than requested for the discretionary funding per support unit adjustment. All other adjustments are recommended.

Governor's Recommendation	0.00	7,534,300	3,000,000	0	10,534,300
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Endowment Adjustments

For FY 2020, there is a distribution increase of \$934,000 from the Public School Endowment Income Fund. This is due to the total distribution of endowment funds to public schools increasing from \$50,325,600 to \$51,260,000, which is a 1.90% increase. This allows for a requested decrease of \$934,000 from the General Fund. These actions net to zero to maintain the FY 2019 discretionary funds per support unit at \$27,481.

Agency Request	0.00	(934,400)	934,400	0	0
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Governor's Recommendation	0.00	(934,400)	934,400	0	0
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FY 2020 Program Maintenance

Agency Request	0.00	641,343,800	59,260,000	0	700,603,800
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Governor's Recommendation	0.00	644,349,900	59,260,000	0	703,609,900
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1. Classroom Technology

This request is for \$3,000,000, ongoing, from the General Fund, to increase the distribution for classroom technology, wireless infrastructure, and instructional management systems from \$36,500,000 to \$39,500,000. This request will provide schools with the funding and flexibility to continue to improve IT infrastructure and provide technologies necessary to support student learning.

Agency Request	0.00	3,000,000	0	0	3,000,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Discretionary for Health Insurance

This is a request for \$7,438,100, ongoing, from the General Fund, for the projected increase in health insurance costs, estimated to be 4.08%. The projection is based on the weighted average of premium costs for FYs 2017, 2018, and 2019, as reported by school districts and charter schools. If approved, these funds would increase the discretionary funding for insurance from \$179,650,000 to \$189,674,600 (which is equal to 43% of the discretionary dollars).

Agency Request	0.00	7,438,100	0	0	7,438,100
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Operations

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Additional Discretionary					
This is a request for \$7,360,300, ongoing, from the General Fund, for new discretionary funding dollars. If approved, this amount is equal to a 3% increase in the portion of discretionary dollars noted as "other," rather than for insurance funding. The amount requested is based on the most recent annualized Consumer Price Index (CPI) at 2.9%. If approved, this will increase the total amount of discretionary funding in the ongoing appropriation to \$442,401,900, including the funds requested in line item 2 specifically for health insurance (the non-insurance portion of discretionary dollars would increase from \$241,880,200 to \$252,727,300, or 57% of the discretionary dollars). If approved, this will set the amount of money per support unit at \$28,432 for FY 2020 (based on an estimated 15,560 support units). Discretionary funding can be used by school districts to meet a variety of needs including, but not limited to, utilities and personnel costs.					
Agency Request	0.00	7,360,300	0	0	7,360,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. Classified Addl 2% Salary Increase					
This request is for \$3,006,100, ongoing, from the General Fund, to provide an additional 2% base salary increase for classified staff. This increase would raise the base salary from \$21,665 to \$22,315. Typically, school districts and charter schools spend approximately 60% more for the salaries and benefits for these staff than what the Legislature appropriates. Classified staff include a wide variety of job classes including business managers, technology specialists, human resource personnel, and custodians. Of the request, \$2,525,300 is for salaries and \$480,800 is for benefits.					
Agency Request	0.00	3,006,100	0	0	3,006,100
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	0.00	662,148,300	59,260,000	0	721,408,300
Governor's Recommendation	0.00	644,349,900	59,260,000	0	703,609,900
Agency Request					
Change from Original App	0.00	29,708,100	3,934,400	0	33,642,500
% Change from Original App		4.7%	7.1%		4.9%
Governor's Recommendation					
Change from Original App	0.00	11,909,700	3,934,400	0	15,844,100
% Change from Original App		1.9%	7.1%		2.3%

Children's Programs

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	45,497,900	55,591,300	56,904,700	63,693,900	75,580,000
Dedicated	4,024,900	4,134,900	4,024,900	4,024,900	4,024,900
Federal	249,115,000	220,694,500	249,115,000	249,115,000	249,115,000
Total:	298,637,800	280,420,700	310,044,600	316,833,800	328,719,900
Percent Change:		(6.1%)	10.6%	2.2%	6.0%
BY OBJECT OF EXPENDITURE					
Lump Sum	298,637,800	280,420,700	310,044,600	316,833,800	328,719,900

Division Description

The Division of Children's Programs includes programs that provide direct educational or material benefits to children, where funding does not primarily go to paying certificated teachers and administrators. It also includes programs that primarily and specifically provide funding for the separate instruction of identified subgroups of children outside the normal classroom of an Idaho public school. Funding is provided from both state and federal funds.

Children's Programs

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	56,904,700	310,044,600	0.00	56,904,700	310,044,600
FY 2020 Base	0.00	56,904,700	310,044,600	0.00	56,904,700	310,044,600
Nondiscretionary Adjustments	0.00	5,739,200	5,739,200	0.00	5,518,800	5,518,800
FY 2020 Program Maintenance	0.00	62,643,900	315,783,800	0.00	62,423,500	315,563,400
1. Mastery-Based Education	0.00	1,050,000	1,050,000	0.00	0	0
2. Literacy Proficiency	0.00	0	0	0.00	13,156,500	13,156,500
FY 2020 Total	0.00	63,693,900	316,833,800	0.00	75,580,000	328,719,900
Change from Original Appropriation	0.00	6,789,200	6,789,200	0.00	18,675,300	18,675,300
% Change from Original Appropriation		11.9%	2.2%		32.8%	6.0%

Children's Programs

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	56,904,700	4,024,900	249,115,000	310,044,600
FY 2020 Base					
Agency Request	0.00	56,904,700	4,024,900	249,115,000	310,044,600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>56,904,700</i>	<i>4,024,900</i>	<i>249,115,000</i>	<i>310,044,600</i>

Nondiscretionary Adjustments

Nondiscretionary funding includes \$370,100 for the estimated distribution for exceptional contracts and tuition equivalents. It also includes a \$2,369,100 increase for the Idaho Digital Learning Academy (IDLA) per Section 33-1020, Idaho Code. The formula's variables include estimated IDLA enrollments and salary-based apportionment for school districts and charter schools, requiring an increase from \$9,788,500 for FY 2019 to \$12,157,600 for FY 2020.

Other adjustments include \$3,000,000 for the Advanced Opportunities Program, bringing the total available for this program to \$18,000,000. This is due to an expected increase in participation, including the new Post-Secondary Credit Scholarship that was created through H477 of 2016.

All of these actions net to an increase of \$5,739,200 in nondiscretionary adjustments.

Agency Request	0.00	5,739,200	0	0	5,739,200
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The Governor recommends an increase of \$2,148,700 from the General Fund for the Idaho Digital Learning Academy, as determined by the statutory formula. He also recommends the other adjustments as requested.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>5,518,800</i>	<i>0</i>	<i>0</i>	<i>5,518,800</i>
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FY 2020 Program Maintenance					
Agency Request	0.00	62,643,900	4,024,900	249,115,000	315,783,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>62,423,500</i>	<i>4,024,900</i>	<i>249,115,000</i>	<i>315,563,400</i>

Children's Programs

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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1. Mastery-Based Education

This is a request for \$1,050,000, ongoing, from the General Fund, for a second cohort to participate in the Idaho Mastery Education Network (IMEN). If funded, this increase will respond to schools that are requesting mastery-based education in their communities. The request is calculated on an increase of 21 incubators, going from 19 incubators to a total of 40. Funds will be used to support the cohort with design, planning, and implementation activities, including, but not limited to, technology purchases (hardware and software), meeting costs, facilitation, travel, stipends, substitutes, learning management systems, and virtual team platforms. Funds will also be used for cross-network collaborative activities and professional development.

The Mastery Education Committee, established in H110 of 2015, recommended that "all regions of the state, all sizes of schools/districts, all types of schools, and all levels of readiness/implementation needed to be considered" for the incubator program. Currently, the first IMEN cohort represents 11% of Idaho's districts and charter schools. IMEN Cohort 1 includes 19 incubators, consisting of 32 schools, and impacting 23,000 students, which is 7% of all students in Idaho. School districts, charter school, and alternative schools in five of the six educational regions are represented in the first IMEN cohort.

With an additional cohort, IMEN would be supporting 23% of districts and charters across the state, which aligns with the Mastery Education Committee recommendation, and the vision of the Governor's Task Force on Improving Education. Adding Cohort 2 will also allow for an increase in student impact, will reach all six regions in Idaho, and will fulfill the current community request for more access and support for mastery education in Idaho schools. There is currently \$1,400,000 from the General Fund in the FY 2019 Original Appropriation for the development of mastery-based education, and that includes one education director position.

NOTE: The balance of this request is \$350,000 and can be found in the Central Services Division, for an overall request of \$1,400,000 in new funding for mastery-based education.

Agency Request	0.00	1,050,000	0	0	1,050,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Literacy Proficiency

Agency Request	0.00	0	0	0	0
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The Governor recommends \$13,156,500 from the General Fund to ensure students are reading at grade level by the time they complete the third grade. Using Idaho Reading Indicator data as a baseline, funding will be distributed to schools to increase student literacy proficiency for students in the third grade and below in ways that address each district's unique challenges.

Governor's Recommendation	0.00	13,156,500	0	0	13,156,500
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FY 2020 Total

Agency Request	0.00	63,693,900	4,024,900	249,115,000	316,833,800
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Governor's Recommendation	0.00	75,580,000	4,024,900	249,115,000	328,719,900
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Agency Request

Change from Original App	0.00	6,789,200	0	0	6,789,200
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% Change from Original App		11.9%	0.0%	0.0%	2.2%
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Governor's Recommendation

Change from Original App	0.00	18,675,300	0	0	18,675,300
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% Change from Original App		32.8%	0.0%	0.0%	6.0%
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Facilities

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	17,217,400	17,217,400	22,186,500	23,463,400	20,883,000
Dedicated	31,269,200	31,269,200	31,359,200	38,291,400	38,291,400
Total:	48,486,600	48,486,600	53,545,700	61,754,800	59,174,400
Percent Change:		0.0%	10.4%	15.3%	10.5%
BY OBJECT OF EXPENDITURE					
Lump Sum	48,486,600	48,486,600	53,545,700	61,754,800	59,174,400

Division Description

The Division of Facilities includes moneys from the General Fund and funding provided from Idaho Lottery proceeds for both public school facility maintenance costs and for support of the Bond Levy Equalization Program.

Facilities

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	22,186,500	53,545,700	0.00	22,186,500	53,545,700
FY 2020 Base	0.00	22,186,500	53,545,700	0.00	22,186,500	53,545,700
Nondiscretionary Adjustments	0.00	1,276,900	8,209,100	0.00	(1,303,500)	5,628,700
FY 2020 Total	0.00	23,463,400	61,754,800	0.00	20,883,000	59,174,400
Change from Original Appropriation	0.00	1,276,900	8,209,100	0.00	(1,303,500)	5,628,700
% Change from Original Appropriation		5.8%	15.3%		(5.9%)	10.5%

Facilities

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	22,186,500	31,359,200	0	53,545,700
FY 2020 Base					
Agency Request	0.00	22,186,500	31,359,200	0	53,545,700
Governor's Recommendation	0.00	22,186,500	31,359,200	0	53,545,700

Nondiscretionary Adjustments

The state's portion of the FY 2020 facility costs are estimated to be \$61,754,800, which is an increase of \$8,209,100 over FY 2019. The following three statutory programs have nondiscretionary adjustments that result in the following increases:

1. An increase of \$199,000 from the General Fund and \$4,280,000 from the School District Building Fund (generated by the Idaho Lottery dividend) for the state's portion of the school building maintenance costs that are prescribed in Section 33-1019, Idaho Code;
2. An increase of \$2,652,200 for the Bond Levy Equalization Program from dedicated fund sources, resulting in a overall General Fund increase of \$131,600 for the program; and
3. An increase of \$946,300 from the General Fund for charter school facilities.

After the three FY 2020 adjustments are made, the cost of the state facilities maintenance match is \$26,946,500, and is funded from a combination of \$4,104,000 from the General Fund and \$22,842,500 from the School District Building Account. The cost for charter school facilities is \$8,840,000 from the General Fund. The Bond Levy Equalization Program cost is \$25,968,300 and is funded from a mix of \$10,519,400 from the General Fund (transferred from cigarette tax revenue), \$13,625,000 of Idaho Lottery proceeds directed by statute to the Bond Levy Equalization Program, and an excess cash balance in the Bond Levy Equalization Fund of \$1,823,900.

Agency Request	0.00	1,276,900	6,932,200	0	8,209,100
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The Governor recommends all the nondiscretionary adjustments as requested, except from the General Fund for the Bond Levy Equalization Support Program. He recommends a reduction of \$2,448,800, instead of an increase of \$131,600, based on the most current data.

Governor's Recommendation	0.00	(1,303,500)	6,932,200	0	5,628,700
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FY 2020 Total					
Agency Request	0.00	23,463,400	38,291,400	0	61,754,800
Governor's Recommendation	0.00	20,883,000	38,291,400	0	59,174,400

Agency Request

Change from Original App	0.00	1,276,900	6,932,200	0	8,209,100
% Change from Original App		5.8%	22.1%		15.3%

Governor's Recommendation

Change from Original App	0.00	(1,303,500)	6,932,200	0	5,628,700
% Change from Original App		(5.9%)	22.1%		10.5%

Central Services

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	13,975,800	13,332,500	14,475,300	18,693,900	13,633,800
Percent Change:		(4.6%)	8.6%	29.1%	(5.8%)
BY OBJECT OF EXPENDITURE					
Operating Expenditures	13,975,800	12,725,900	14,475,300	18,693,900	13,633,800
Capital Outlay	0	1,200	0	0	0
Trustee/Benefit	0	1,248,700	0	0	0
Lump Sum	0	(643,300)	0	0	0
Total:	13,975,800	13,332,500	14,475,300	18,693,900	13,633,800

Division Description

The Division of Central Services includes those programs and funds that are spent at the state level by the Superintendent of Public Instruction for the benefit of all school districts and charter schools. Funds are primarily used to contract for services and for program oversight and evaluation.

Central Services

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	14,475,300	14,475,300	0.00	14,475,300	14,475,300
1. Keep Idaho Students Safe	0.00	610,000	610,000	0.00	0	0
FY 2019 Total Appropriation	0.00	15,085,300	15,085,300	0.00	14,475,300	14,475,300
Removal of Onetime Expenditures	0.00	(841,500)	(841,500)	0.00	(841,500)	(841,500)
FY 2020 Base	0.00	14,243,800	14,243,800	0.00	13,633,800	13,633,800
1. Keep Idaho Students Safe	0.00	990,000	990,000	0.00	0	0
2. Mastery-Based Education	0.00	350,000	350,000	0.00	0	0
3. Professional Development	0.00	2,000,000	2,000,000	0.00	0	0
4. Math Initiative	0.00	1,110,100	1,110,100	0.00	0	0
FY 2020 Total	0.00	18,693,900	18,693,900	0.00	13,633,800	13,633,800
Change from Original Appropriation	0.00	4,218,600	4,218,600	0.00	(841,500)	(841,500)
% Change from Original Appropriation		29.1%	29.1%		(5.8%)	(5.8%)

Central Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	14,475,300	0	0	14,475,300

1. Keep Idaho Students Safe

This supplemental appropriation request is for \$610,000, ongoing, from the General Fund. This request includes two components of the Keep Idaho Students Safe (KISS) initiative proposed by the Superintendent of Public Instruction that focuses on security infrastructure, training, equipment, and supplies. The total request for this initiative is \$19,110,000 for FY 2019.

Specifically, the request includes \$410,000 to create and deliver a comprehensive school safety course for instructional staff in Idaho schools. The course will address prevention of risk behaviors, as well as equipping staff with knowledge and skills to identify struggling students, and how to intervene effectively and respond to crises. The budget includes course creation, university sponsorship, course delivery (variable mediums), credits for attendees, substitutes for attendees and course materials.

The request also includes \$200,000 to establish a statewide tip line for students, parents, teachers, concerned constituents, and other stakeholders to alert education officials about unsafe situations at school. The main purpose of the tip line is to add another layer of accessibility between students, the community and trusted school personnel. The reason for the request is to leverage the collective attention of school communities in Idaho to prevent targeted violence and crises situations. This strategy provides a uniform and 24 hour accessible method to report suspicious behavior.

Agency Request	0.00	610,000	0	0	610,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Total Appropriation					
Agency Request	0.00	15,085,300	0	0	15,085,300
Governor's Recommendation	0.00	14,475,300	0	0	14,475,300

Removal of Onetime Expenditures

This adjustment removes \$841,500 in onetime FY 2019 funding for student achievement assessments to support additional student participation in science assessments and PSAT and SAT administrations.

Agency Request	0.00	(841,500)	0	0	(841,500)
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Governor's Recommendation	0.00	(841,500)	0	0	(841,500)
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FY 2020 Base					
Agency Request	0.00	14,243,800	0	0	14,243,800
Governor's Recommendation	0.00	13,633,800	0	0	13,633,800

1. Keep Idaho Students Safe

This request is for \$990,000, ongoing, from the General Fund, for the Keep Idaho Students Safe (KISS) initiative to create and deliver a comprehensive school safety course for instructional staff in Idaho schools. The course will address prevention of risk behaviors, as well as equipping staff with knowledge and skills to identify struggling students, and how to intervene effectively and respond to crises. The budget includes course creation, university sponsorship, course delivery (variable mediums), credits for attendees, substitutes for attendees and course materials. If approved, and when added to the amount requested for this purpose in the FY 2019 supplemental request, the total ongoing amount would be \$1,400,000.

Agency Request	0.00	990,000	0	0	990,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Central Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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2. Mastery-Based Education

This is a request for \$350,000, ongoing, from the General Fund, for mastery-based education, which is an education system where student progress is based upon a student's demonstration of mastery of competencies and content, not seat time or the age or grade level of the student, as found in Section 33-1632, Idaho Code. All of the request is for operating expenditures, which includes funds to contract with vendors for professional development. If funded, the statewide professional development will include coaching for both teachers and administrators equal to two days per month. Trainings will take place in Boise, at the district level, and online, and will address how to communicate student data and develop individual learning plans. Funding will allow the Department of Education to handle much of the contracting work for vendors, travel, and facilities on behalf of the participating schools to avoid duplication of effort. Other costs include IT equipment, supplies, and stipends to pay teachers for planning and designing the mastery-based system. In addition to professional development, these funds will be used to begin implementation of the individual school plans.

ANALYST NOTE: The balance of this request is \$1,050,000 and can be found in the Children's Programs Division, for an overall request of \$1,400,000 in new funding for mastery-based education.

Agency Request	0.00	350,000	0	0	350,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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3. Professional Development

This is a request for \$2,000,000, ongoing, from the General Fund, to provide professional development opportunities to secondary teachers in the area of financial literacy and modeling, plus data literacy, and how these topics are interwoven within and support mathematics standards. This professional development opportunity will aid teachers in integrating previously adopted financial literacy standards from the economics area into the mathematics area, as well as increase an understanding of how mathematical modeling and data literacy can enhance the mathematics standards, rather than create an additional separate math class that students must take for graduation requirements. The Superintendent of Public Instruction believes these opportunities strengthen educators understanding of the content standards and how math can be integrated across all content areas. Since the inception of the math initiative, the focus has been on grades K-8, but to bolster educator support, this request shifts the focus to include secondary mathematics and economics educators, as well.

Agency Request	0.00	2,000,000	0	0	2,000,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Central Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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4. Math Initiative

This is a request for \$1,110,100, ongoing, from the General Fund, for the Idaho Mathematics Initiative. When added to the amount in the base of \$1,817,800, if funded, the FY 2020 appropriation for the initiative would total \$2,927,900. The Superintendent of Public Instruction believes the additional funding will be utilized for several support systems that have been missing, or under supported, from the initiative since its inception. These support systems include the following:

Six Additional Full-Time Regional Math Specialists: The addition of regional math specialists, particularly at the secondary level, will allow for increased mathematics support across the state. Over the last several years, the State Department of Education (SDE) has refocused the energies of the math center work to prioritize programs that are of greater duration (minimum 100 hours) over a greater span of time, or frequency, at minimum of three to four months. Research shows that frequency and duration, and connection to daily practice, are needed to drive lasting change in instructional habits, leading to greater student gains in mathematics. The SDE has also studied the results of math center programs on student achievement and has noted greater student outcomes. The budget request for these positions is \$841,100 annually.

A Primary Mathematics Diagnostic System (grades K-2): After an RFP process, the state now funds the i-Ready Diagnostic System from Curriculum Associates. It is in the first 18 months of implementation, and the SDE will be evaluating its effectiveness during the 2018 - 2019 school year. The continuation of a primary mathematics diagnostic system will allow educators to identify specific deficits in mathematics, while monitoring growth over time. Intervention resources will continue to be available to address specific deficits. According to the Superintendent of Public Instruction, this has been a vital but missing component in the state's efforts to elevate student success in mathematics. The i-Ready primary math diagnostic system, a teaching and learning tool to enhance instruction, is not required but was made available to all Idaho school districts and charters to use voluntarily. Currently, the state pays for 12,000 student seats, but the contract specifies that the SDE will increase those seats to 20,000 for the 2019 - 2020 school year, as the budget allows. The budget request for this system is \$139,000 annually.

Community/Parent Support: To contract with mathematics experts to develop and implement a module series that will be available for the community to access. The content of the modules will be about current mathematics instructional changes and how these changes relate to prior instructional strategies that focus on process. These modules will start at the elementary level and grow to the secondary level as funding allows. The budget request for support is \$30,000 annually.

Regional STEM Integrative Institutes: To provide K-12 mathematics educators with regional institutes with grade-level breakout sessions that focus on the integration of content areas. Idaho's regional mathematics specialists will work with the SDE to develop and implement the institutes. The STEM Action Center has expressed a desire to partner with the SDE on the institutes. The budget request for the institutes is \$100,000 annually.

Agency Request	0.00	1,110,100	0	0	1,110,100
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Total

Agency Request	0.00	18,693,900	0	0	18,693,900
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Governor's Recommendation	0.00	13,633,800	0	0	13,633,800
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Agency Request

Change from Original App	0.00	4,218,600	0	0	4,218,600
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% Change from Original App		29.1%			29.1%
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Governor's Recommendation

Change from Original App	0.00	(841,500)	0	0	(841,500)
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% Change from Original App		(5.8%)			(5.8%)
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Educational Services for the Deaf & Blind

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Campus Operations	6,921,100	6,588,400	7,023,000	7,468,800	7,270,500
Outreach Programs	3,963,200	3,963,200	3,956,400	4,204,700	4,102,700
Total:	10,884,300	10,551,600	10,979,400	11,673,500	11,373,200
BY FUND CATEGORY					
General	10,366,800	10,366,800	10,454,900	11,149,000	10,820,200
Dedicated	294,000	184,800	301,000	301,000	329,500
Federal	223,500	0	223,500	223,500	223,500
Total:	10,884,300	10,551,600	10,979,400	11,673,500	11,373,200
Percent Change:		(3.1%)	4.1%	6.3%	3.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	0	0	0	9,218,900	8,953,600
Operating Expenditures	0	0	0	2,307,000	2,272,000
Capital Outlay	0	0	0	147,600	147,600
Trustee/Benefit	10,884,300	10,551,600	0	0	0
Lump Sum	0	0	10,979,400	0	0
Total:	10,884,300	10,551,600	10,979,400	11,673,500	11,373,200

Division Description

Pursuant to Section 33-3403, Idaho Code, the goal of the Bureau of Educational Services for the Deaf and Blind is to assist school districts and state agencies in providing accessibility, quality, and equity to students in the state with sensory impairments through a continuum of service and placement options. Services may include operation of a school for the deaf and the blind that shall provide residential and day campus programs. The bureau may also operate an outreach program to provide services to students outside the campus area, as well as early intervention and family consultation.

S1074 of 2009 repealed statutes that created the Idaho School for the Deaf and the Blind (Chapter 34, Title 33, Idaho Code) and added a new Chapter 34 that created the Idaho Bureau of Educational Services for the Deaf and the Blind (IESDB). The key changes in this new chapter included:

- 1) Creation of a Board of Directors to govern the new bureau;
- 2) The chair of the board is the Superintendent of Public Instruction;
- 3) The new bureau is a non-state agency; and
- 4) The bureau's annual appropriation request is to be submitted to the Superintendent of Public Instruction for review, approval, and inclusion in the educational support program (public schools) budget request to the Idaho Legislature and the Governor. Inclusion in the educational support program allows the bureau access to the Public Education Stabilization Fund in certain circumstances (i.e., budget holdbacks).

Another key requirement of S1074 is that Chapter 9, Title 33, Idaho Code, was amended to allow the bureau to receive a distribution from the School District Building Account, which includes Idaho Lottery dividends and earned interest. The distribution is based on average daily attendance.

Outreach offices are located in Coeur d'Alene, Lewiston, Caldwell, Meridian, Gooding, Pocatello, and Idaho Falls.

Educational Services for the Deaf & Blind

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	10,454,900	10,979,400	0.00	10,454,900	10,979,400
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	0.00	10,454,900	10,979,400	0.00	10,454,900	10,979,400
Removal of Onetime Expenditures	0.00	(208,100)	(208,100)	0.00	(208,100)	(208,100)
FY 2020 Base	0.00	10,246,800	10,771,300	0.00	10,246,800	10,771,300
Benefit Costs	0.00	11,100	11,100	0.00	(76,200)	(76,200)
Replacement Items	0.00	147,600	147,600	0.00	119,100	147,600
Change in Employee Compensation	0.00	34,300	34,300	0.00	103,000	103,000
FY 2020 Program Maintenance	0.00	10,439,800	10,964,300	0.00	10,392,700	10,945,700
1. Career Ladder Equivalence	0.00	279,800	279,800	0.00	279,800	279,800
2. Speech-Language Pathologist	0.00	86,700	86,700	0.00	86,100	86,100
3. IT Specialist	0.00	76,700	76,700	0.00	0	0
4. Sign Language Interpreter	0.00	79,500	79,500	0.00	0	0
5. Paraprofessional Classified Staff	0.00	69,200	69,200	0.00	61,600	61,600
6. Classroom and Office Technology	0.00	35,000	35,000	0.00	0	0
7. Orientation/Mobility Instructor	0.00	82,300	82,300	0.00	0	0
FY 2020 Total	0.00	11,149,000	11,673,500	0.00	10,820,200	11,373,200
Change from Original Appropriation	0.00	694,100	694,100	0.00	365,300	393,800
% Change from Original Appropriation		6.6%	6.3%		3.5%	3.6%

Educational Services for the Deaf & Blind

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	10,454,900	301,000	223,500	10,979,400

Noncognizable Funds and Transfers

This action spreads funds from lump sum to object codes and nets to \$0 for FY 2019.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	0.00	10,454,900	301,000	223,500	10,979,400
Governor's Recommendation	0.00	10,454,900	301,000	223,500	10,979,400

Removal of Onetime Expenditures

Campus Operations, Outreach Programs

Removes onetime items purchased in FY 2019 for one mid-sized school bus and four sedans.

Agency Request	0.00	(208,100)	0	0	(208,100)
Governor's Recommendation	0.00	(208,100)	0	0	(208,100)

FY 2020 Base					
Agency Request	0.00	10,246,800	301,000	223,500	10,771,300
Governor's Recommendation	0.00	10,246,800	301,000	223,500	10,771,300

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	11,100	0	0	11,100
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(76,200)	0	0	(76,200)

Replacement Items

Campus Operations, Outreach Programs

The Campus Program requests \$28,500, onetime, from the General Fund, for a commercial lawn mower to maintain the 40-acre campus. The new mower will replace a smaller one that is over 25 years old.

The Outreach Program requests replacement of five vehicles that are used by program staff. Specifically, the request is for four sedans at an estimated cost of \$23,300 each, and one small SUV at an estimated cost of \$25,900. Currently, there are over 50 vehicles in the fleet that are used to provide services to children, schools, and families across the state. On average, each vehicle is driven between 12,000 to 20,000 miles per year. If funded, these five vehicles would replace vehicles that have over 120,000 miles on them.

Agency Request	0.00	147,600	0	0	147,600
<i>The Campus Operations replacement item (lawn mower) is recommended by the Governor from the Endowment Fund, not the General Fund, as requested. The Outreach Program replacement items are recommended as requested.</i>					
Governor's Recommendation	0.00	119,100	28,500	0	147,600

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	34,300	0	0	34,300
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	103,000	0	0	103,000

FY 2020 Program Maintenance					
Agency Request	0.00	10,439,800	301,000	223,500	10,964,300
Governor's Recommendation	0.00	10,392,700	329,500	223,500	10,945,700

Educational Services for the Deaf & Blind

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Career Ladder Equivalence					
Campus Operations, Outreach Programs					
This is a request for \$279,800, ongoing, from the General Fund, for the third and final year of a three-year proposed phase-in of increased instructor salaries and benefits. If funded, this would allow the agency to achieve levels that are equivalent to the public school career ladder salary compensation system. Of the request, \$137,300 is in the Campus Program and \$142,500 is in the Outreach Program.					
Agency Request	0.00	279,800	0	0	279,800
Governor's Recommendation	0.00	279,800	0	0	279,800
2. Speech-Language Pathologist					
Campus Operations					
This is a request for \$86,700 in ongoing personnel costs from the General Fund for a speech-language pathologist (SLP). The position would work on the IESDB campus to address the needs prompted by enrollment increases over the past several years. The campus is currently served by one SLP and an assistant. In the last 12 years, campus enrollment has almost doubled and considering that almost all of the deaf or hard of hearing students, and some of the blind or visually impaired students, have speech/language requirements as part of their Individual Education Plans, demand is currently outweighing the supply of time required. The demands on the current SLP to supervise the assistant have also increased in the intensity of supervision.					
Agency Request	0.00	86,700	0	0	86,700
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	0.00	86,100	0	0	86,100
3. IT Specialist					
Campus Operations					
This is a request for \$76,700 in ongoing personnel costs from the General Fund for an information technology specialist to address the enrollment and service delivery increases and requirements over the past several years. Information technology for the IESDB includes managing the cell phone network of approximately 60 cell phones, internet infrastructure, managing and implementing the 30 one-to-one devices used in the Campus Operations Program at the high school level, managing all desktops and laptops for the entire entity statewide, including the printing network, and internet networking at all seven educational centers and three IESDB preschools. Currently, there is one IT director and one IT specialist assigned to cover the entire state.					
Agency Request	0.00	76,700	0	0	76,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. Sign Language Interpreter					
Campus Operations					
This is a request for \$79,500 in ongoing personnel costs from the General Fund for a licensed sign language interpreter for the campus program. This position would be used to provide interpreting services for students who are deaf or hard of hearing who attend the campus program, and also for those students that take classes provided by the local Gooding School District that are not provided at the IESDB. This interpreter would also serve as an interpreter at various staff meetings, trainings, and school-sponsored events for staff and parents who are deaf or hard of hearing.					
Agency Request	0.00	79,500	0	0	79,500
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Educational Services for the Deaf & Blind

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Paraprofessional Classified Staff		Campus Operations, Outreach Programs			
This is a request for \$69,200 in ongoing personnel costs from the General Fund to move staff in temporary paraprofessional positions to permanent paraprofessional positions. The temporary status is no longer appropriate for these employees. In prior years, when IESDB served fewer numbers of students, some temporary paraprofessional positions were needed. As the number of students served has increased and remains consistent, the temporary paraprofessional staff now work the same schedules as the permanent paraprofessional staff; however, the temporary paraprofessional staff do not receive the same benefits. This funding request will allow the agency to shift nine temporary paraprofessional positions in the Campus Operations Program and three positions in the Outreach Program to permanent positions, which will result in benefit equivalence. Of the request, \$52,400 is in the Campus Program and \$16,800 is in the Outreach Program.					
Agency Request	0.00	69,200	0	0	69,200
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	0.00	61,600	0	0	61,600
6. Classroom and Office Technology		Campus Operations			
This is a request for \$35,000 in ongoing operating expenditures from the General Fund for technology funding. The request is due to IESDB's growth in enrollment and number of students served statewide, and due to the increase in technology service delivery and technology requirements over the past several years. The cost of the agency's cell phone services and voice services has increased because the federal E-rate program for these services has been eliminated. Licensing fees for the specialized assistive technology software used by our students and educational staff continue to increase. Additional software is needed to manage roles and access privileges of individual network users, and to safeguard information systems against the possibility of ransomware, criminal hacking, phishing, and other malware attacks. This increase in technology funding is requested under the campus program because technology services and software are managed and deployed from the campus; however, outreach staff and the students, districts, and families the agency serves will also benefit.					
Agency Request	0.00	35,000	0	0	35,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
7. Orientation/Mobility Instructor		Outreach Programs			
This is a request for \$82,300 in ongoing personnel costs from the General Fund for a certified orientation and mobility (O and M) instructor. This position would travel the state to cover areas where there are no certified instructors, specifically in very rural environments. The instruction is described as a sequential process in which visually impaired individuals are taught to utilize their remaining senses to determine their position within their environment and to negotiate safe movement from one place to another. This is most often recognized by utilization of a cane, but includes orientation within a room, and the basic understanding of finding where one is at spatially. At the present time, there are estimated to be five contract O and M instructors in the entire state, mostly living in heavily populated areas, to serve approximately 450 blind or visually impaired children.					
Agency Request	0.00	82,300	0	0	82,300
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	0.00	11,149,000	301,000	223,500	11,673,500
Governor's Recommendation	0.00	10,820,200	329,500	223,500	11,373,200
Agency Request					
Change from Original App	0.00	694,100	0	0	694,100
% Change from Original App		6.6%	0.0%	0.0%	6.3%
Governor's Recommendation					
Change from Original App	0.00	365,300	28,500	0	393,800
% Change from Original App		3.5%	9.5%	0.0%	3.6%

Idaho Legislative Budget Book

State Board of Education

2019 Legislative Session

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State Board of Education

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Ag Research & Ext Service	31,287,300	31,263,300	31,331,100	32,983,600	32,193,500
College and Universities	729,702,300	568,291,800	576,786,400	618,868,300	601,252,600
Community Colleges	40,000,900	40,000,900	46,926,600	51,168,700	48,223,200
Education, State Board of	18,262,400	10,860,700	15,961,200	16,585,700	16,490,300
Health Education Programs	16,654,200	16,014,700	19,035,500	22,850,800	21,608,200
Car Tech Education	80,673,500	74,799,700	75,963,200	82,224,700	78,475,100
Idaho Public Television	9,633,100	8,865,100	9,448,600	9,806,200	9,565,500
Special Programs	19,686,600	17,224,200	23,366,800	27,798,700	31,997,000
Supt of Public Instruction	38,818,000	30,005,000	39,663,000	40,059,000	40,021,800
Vocational Rehabilitation	28,175,900	25,150,100	28,306,100	28,499,500	28,568,600
Total:	1,012,894,200	822,475,500	866,788,500	930,845,200	908,395,800
BY FUND CATEGORY					
General	485,936,100	483,870,000	510,069,800	558,212,900	533,012,600
Dedicated	470,732,800	299,954,500	309,570,100	323,320,300	326,006,200
Federal	56,225,300	38,651,000	47,148,600	49,312,000	49,377,000
Total:	1,012,894,200	822,475,500	866,788,500	930,845,200	908,395,800
Percent Change:		(18.8%)	5.4%	7.4%	4.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	674,197,700	507,467,300	606,692,800	623,241,400	629,322,400
Operating Expenditures	206,619,400	126,732,700	150,468,000	164,449,200	161,491,900
Capital Outlay	38,300,200	25,657,700	21,602,100	29,028,400	17,961,000
Trustee/Benefit	93,776,900	162,617,800	88,025,600	114,126,200	99,520,500
Lump Sum	0	0	0	0	100,000
Total:	1,012,894,200	822,475,500	866,788,500	930,845,200	908,395,800
Full-Time Positions (FTP)	5,904.44	5,902.87	6,055.87	6,186.07	6,157.88

Department Description

Pursuant to Article IV, Section 20, Idaho Constitution, all executive and administrative offices, agencies, and instrumentalities of the executive department of the state, except for those assigned to the elected constitutional officers, are allocated within not more than twenty departments. In compliance with the Idaho Constitution and pursuant to Section 67-2402, Idaho Code, the State Board of Education has been established as one of the twenty departments. The agencies and institutions in this section have been assigned to the State Board of Education.

Agricultural Research & Extension Service

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	31,263,300	31,263,300	31,307,100	32,959,600	32,169,500
Dedicated	24,000	0	24,000	24,000	24,000
Total:	31,287,300	31,263,300	31,331,100	32,983,600	32,193,500
Percent Change:		(0.1%)	0.2%	5.3%	2.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	26,647,700	25,647,700	26,914,600	27,865,000	27,617,900
Operating Expenditures	3,638,600	3,614,600	3,638,600	4,132,700	3,785,600
Capital Outlay	1,001,000	2,001,000	777,900	985,900	790,000
Total:	31,287,300	31,263,300	31,331,100	32,983,600	32,193,500
Full-Time Positions (FTP)	301.44	301.44	320.34	348.68	343.11

Division Description

The University of Idaho's College of Agricultural and Life Sciences has a land grant mandated, three-pronged mission: education, research, and extension. The education component is funded through the UI's portion of the College and Universities' general education appropriation. The research and extension components are funded via this appropriation to the Agricultural Research and Extension Service (ARES).

The research and extension centers across the state are located in: Aberdeen, Boise, Caldwell, Dubois, Idaho Falls, Kimberly, Moscow, Parma, Salmon, Teton, and Twin Falls.

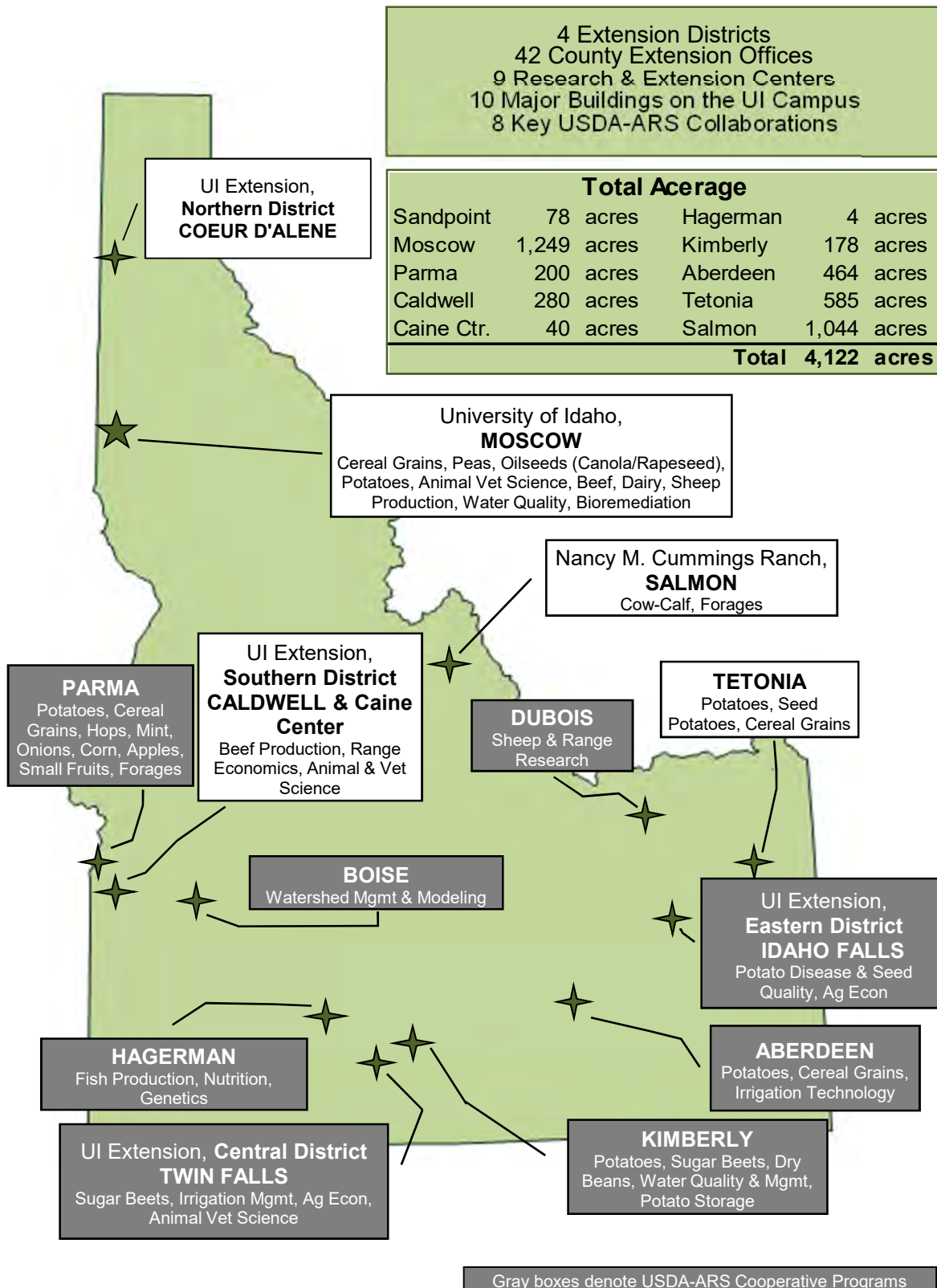
The Cooperative Extension Service has offices in 42 of Idaho's 44 counties, and operates under the leadership of faculty and staff who are specially trained to work with agriculture, 4-H programs, families, youth, and communities. The educational programs of the College of Agricultural and Life Sciences faculty members are supported cooperatively by county, state, and federal funding.

Appropriated funding provides base support for agricultural research and extension programming, and also provides leverage for additional grant and contract funding for ongoing program needs. Appropriated funding is also redirected for new programs as old programs are modified or eliminated.

Agricultural Research & Extension Service

Agency Profile

Analyst: Jessup



Agricultural Research & Extension Service

Agency Profile

Analyst: Jessup

University of Idaho College of Agricultural and Life Sciences

FY 2019 Estimated Operating Revenue, All Sources is: \$76,418,671
(of which 48% is from the General Fund)

Where Budgeted	Fund Source	Amount by Source	% of Total
Appropriated in College & Universities			
State General Education	General Fund	\$ 3,461,029	4.5%
Appropriated in Special Programs			
W-I Veterinary Education	General Fund	\$ 2,116,500	2.8%
Not Appropriated			
Off-budget	Grants & Contracts	\$ 17,787,221	23.3%
Off-budget	County Expenditures	\$ 4,916,240	6.4%
Off-budget	Gifts & Miscellaneous	\$ 2,342,026	3.1%
Off-budget	Local Service Funds	\$ 8,805,825	11.5%
Off-budget	Federal Formula Funds	\$ 5,634,731	7.4%
Subtotal		\$ 39,486,042	51.7%
Appropriated to Agricultural Research & Extension Service (ARES)			
Research	General Fund	\$ 19,052,233	24.9%
Extension	General Fund	\$ 12,278,867	16.1%
Equine Education	Equine Education Fund	\$ 24,000	0.0%
Subtotal		\$ 31,355,100	41.0%
Total		\$ 76,418,671	100.0%

Of the \$31,355,100 funding appropriated in FY 2019, the following amounts were allocated to the centers below. These centers may also receive non-appropriated moneys that are not listed.

Northern District	FTP	Approp.
Palouse (Moscow) R&E*	9.70	\$ 624,073
Coeur d'Alene	1.00	\$ 53,894
Sandpoint Organic Orchard	0.50	\$ 41,444
9 Co. Offices w/ Educators	22.50	\$ 1,753,244
Total	33.70	\$ 2,472,655
Southern District	FTP	Approp.
Caldwell/Caine Center	5.40	\$ 443,624
Parma R&E Center	10.40	\$ 891,064
Boise Center	11.00	\$ 1,125,845
9 Co. Offices w/ Educators	21.80	\$ 1,697,628
Total	48.60	\$ 4,158,161
Central District	FTP	Approp.
Twin Falls R&E Center	14.98	\$ 1,379,464
Kimberly R&E Center	12.90	\$ 1,032,172
10 Co. Offices w/ Educators	19.00	\$ 1,515,558
Total	46.88	\$ 3,927,194

Eastern District	FTP	Approp.
Aberdeen R&E Center	26.70	\$ 1,702,483
Tetonia R&E Center	1.00	\$ 35,187
Idaho Falls R&E Center	5.80	\$ 530,721
Nancy M. Cummings Ranch (Salmon)	8.00	\$ 675,898
14 Co. Offices w/ Educators	24.80	\$ 1,897,311
U.S. Sheep Station Research	0.00	\$ -
Total	66.30	\$ 4,841,600
Grand Total	195.48	\$ 15,399,610

% of FTP Off Campus 65%
% of Approp. to ARES Off Campus 49%

*Research & Extension Center (R&E)

Agricultural Research & Extension Service

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	320.34	31,307,100	31,331,100	320.34	31,307,100	31,331,100
Noncognizable Funds and Transfers	20.20	0	0	20.20	0	0
FY 2019 Estimated Expenditures	340.54	31,307,100	31,331,100	340.54	31,307,100	31,331,100
Removal of Onetime Expenditures	0.00	(127,900)	(127,900)	0.00	(127,900)	(127,900)
FY 2020 Base	340.54	31,179,200	31,203,200	340.54	31,179,200	31,203,200
Benefit Costs	0.00	19,400	19,400	0.00	(195,100)	(195,100)
Inflationary Adjustments	0.00	80,900	80,900	0.00	0	0
Replacement Items	0.00	279,000	279,000	0.00	140,000	140,000
Change in Employee Compensation	0.00	253,900	253,900	0.00	733,600	733,600
FY 2020 Program Maintenance	340.54	31,812,400	31,836,400	340.54	31,857,700	31,881,700
1. 4-H STEM Education	5.00	523,600	523,600	0.00	0	0
2. Rock Creek Cattle Research	2.00	378,400	378,400	2.00	189,200	189,200
3. Occupancy Costs	1.14	245,200	245,200	0.57	122,600	122,600
FY 2020 Total	348.68	32,959,600	32,983,600	343.11	32,169,500	32,193,500
Change from Original Appropriation	28.34	1,652,500	1,652,500	22.77	862,400	862,400
% Change from Original Appropriation		5.3%	5.3%		2.8%	2.8%

Agricultural Research & Extension Service

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	320.34	31,307,100	24,000	0	31,331,100

Noncognizable Funds and Transfers

Allowable FTP adjustment to match the approved FY 2019 budget.

Agency Request	20.20	0	0	0	0
Governor's Recommendation	20.20	0	0	0	0

FY 2019 Estimated Expenditures

Agency Request	340.54	31,307,100	24,000	0	31,331,100
Governor's Recommendation	340.54	31,307,100	24,000	0	31,331,100

Removal of Onetime Expenditures

Removes onetime capital outlay from the General Fund in FY 2019 to replace irrigation pipe at Tetonia Farm at the Palouse Research, Extension, and Education Center.

Agency Request	0.00	(127,900)	0	0	(127,900)
Governor's Recommendation	0.00	(127,900)	0	0	(127,900)

FY 2020 Base

Agency Request	340.54	31,179,200	24,000	0	31,203,200
Governor's Recommendation	340.54	31,179,200	24,000	0	31,203,200

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	19,400	0	0	19,400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(195,100)	0	0	(195,100)
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Inflationary Adjustments

The agency requests \$80,900 ongoing from the General Fund for general inflation costs. The largest increases include the cost of specific supplies, employee travel, repair/maintenance, and professional services.

Agency Request	0.00	80,900	0	0	80,900
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Replacement Items

The agency requests to replace a 1991 Case 7140 Tractor at the Nancy M. Cummings site (\$159,500), a seeder at the Nancy M. Cummings site (\$18,000), potato storage environmental controls in Kimberly (\$50,400), land plane at Parma (\$15,300), a Miller 12-disk at Parma (\$31,300), and an IH 415 roller at Parma (\$4,500) for a total of \$279,000. The entirety of this request is onetime capital outlay from the General Fund.

Agency Request	0.00	279,000	0	0	279,000
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The Governor recommends \$140,000 onetime, approximately half of the amount requested, to be utilized as the program prefers.

Governor's Recommendation	0.00	140,000	0	0	140,000
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	253,900	0	0	253,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	733,600	0	0	733,600
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Agricultural Research & Extension Service

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	340.54	31,812,400	24,000	0	31,836,400
<i>Governor's Recommendation</i>	<i>340.54</i>	<i>31,857,700</i>	<i>24,000</i>	<i>0</i>	<i>31,881,700</i>

1. 4-H STEM Education

Agricultural Research & Extension Service

The agency requests 5.00 FTP and \$523,600 ongoing from the General Fund to increase engagement with youth and community 4-H leaders in the development of STEM knowledge and skills, postsecondary educational opportunities, and career awareness. This request includes \$403,600 is ongoing for personnel costs (four area 4-H STEM educators and one administrative coordinator) and \$120,000 is ongoing for operating expenditures (travel and educational resources). Currently, the University of Idaho Extension 4-H Youth Development offers K-12 non-formal education programming throughout the state and reaches 75,000 youth annually. STEM career opportunities within agriculture include those in natural and biological sciences, water quality, animal health, robotics, electronics, and coding.

Agency Request	5.00	523,600	0	0	523,600
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Not recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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2. Rock Creek Cattle Research

Agricultural Research & Extension Service

The agency requests 2.00 FTP and \$378,400 ongoing from the General Fund to staff the Rinker Rock Creek Ranch and expand research opportunities related to rangeland utilization. This request includes \$231,500 ongoing for personnel costs, \$90,000 ongoing for operating expenditures (travel, trucking, research operating), and \$56,900 onetime for capital outlay (field computers, monitoring equipment, and transmitters). The University of Idaho is in the process of acquiring the Rinker Rock Creek Ranch south of Sun Valley, a property of more than 10,000 acres, to be a site for the study of cattle nutrition and growth on rangeland. Data collected would be compared to irrigated pasture available at other research sites, and include the effect of grazing on rangeland species/ecosystems. Moneys would support the maintenance of a cattle operation, including two full-time staff members (ranch manager and research support specialist), two graduate research assistants to act as field researchers, and two undergraduate interns to support summer research activities.

Agency Request	2.00	378,400	0	0	378,400
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The Governor recommends 2.00 FTP and \$189,200 ongoing from the General Fund to maintain a grazing herd of cattle on the Rinker Rock Creek Ranch. This recommendation includes \$143,800 ongoing for personnel costs and \$45,400 ongoing for operating expenditures.

<i>Governor's Recommendation</i>	<i>2.00</i>	<i>189,200</i>	<i>0</i>	<i>0</i>	<i>189,200</i>
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3. Occupancy Costs

The agency requests occupancy funding for the following completed projects: \$13,800 for the Nancy M. Cummings Aberdeen Research Support Facility (occupied in November of 2018); \$54,800 for the classroom and office facility at the Nancy M. Cummings Ranch (to be occupied October of 2019); and \$176,600 for the Sandpoint research and extension complex (occupied in August of 2018).

Agency Request	1.14	245,200	0	0	245,200
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The Governor recommends 0.57 FTP and \$122,600 ongoing from the General Fund for the Aberdeen Research Support Facility (\$6,900), Nancy M. Cummings Ranch (\$27,400), and the Sandpoint Research and Extension Complex (\$88,300). The Governor recommends the State Board of Education revisit the process and funding of building occupancy costs.

<i>Governor's Recommendation</i>	<i>0.57</i>	<i>122,600</i>	<i>0</i>	<i>0</i>	<i>122,600</i>
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FY 2020 Total					
Agency Request	348.68	32,959,600	24,000	0	32,983,600
<i>Governor's Recommendation</i>	<i>343.11</i>	<i>32,169,500</i>	<i>24,000</i>	<i>0</i>	<i>32,193,500</i>

Agency Request

Change from Original App	28.34	1,652,500	0	0	1,652,500
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% Change from Original App	8.8%	5.3%	0.0%		5.3%
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Governor's Recommendation

<i>Change from Original App</i>	<i>22.77</i>	<i>862,400</i>	<i>0</i>	<i>0</i>	<i>862,400</i>
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<i>% Change from Original App</i>	<i>7.1%</i>	<i>2.8%</i>	<i>0.0%</i>		<i>2.8%</i>
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College and Universities

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Boise State University	234,572,400	204,677,100	206,958,700	224,467,300	225,452,500
Idaho State University	231,055,600	143,023,300	149,286,700	150,574,400	149,268,800
University of Idaho	203,326,500	182,693,100	178,804,000	184,680,700	183,625,000
Lewis-Clark State College	55,682,000	37,095,300	35,521,200	37,247,100	36,540,500
Systemwide	5,065,800	803,000	6,215,800	21,898,800	6,365,800
Total:	729,702,300	568,291,800	576,786,400	618,868,300	601,252,600
BY FUND CATEGORY					
General	287,053,200	287,025,600	295,763,200	323,768,300	304,280,700
Dedicated	442,649,100	281,266,200	281,023,200	295,100,000	296,971,900
Total:	729,702,300	568,291,800	576,786,400	618,868,300	601,252,600
Percent Change:		(22.1%)	1.5%	7.3%	4.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	530,602,700	442,841,300	455,701,800	467,016,800	473,743,500
Operating Expenditures	160,847,300	99,217,200	98,866,000	110,474,200	108,615,700
Capital Outlay	33,644,300	21,172,400	18,060,600	25,059,300	14,735,400
Trustee/Benefit	4,608,000	5,060,900	4,158,000	16,318,000	4,158,000
Total:	729,702,300	568,291,800	576,786,400	618,868,300	601,252,600
Full-Time Positions (FTP)	4,559.88	4,558.31	4,680.80	4,756.72	4,753.54

Division Description

The College and Universities Division includes the following five programs: Boise State University (BSU); Idaho State University (ISU); University of Idaho (UI); Lewis-Clark State College (LCSC); and Systemwide Programs, which includes funding for programs and efforts that benefit all four institutions. The Legislature appropriates both from the General Fund and from dedicated funds to this division. Dedicated funds include endowment funds and revenue from tuition and fees. Federal funds and other "local funds" from specific fees are not appropriated by the Legislature.

STUDENT TUITION AND FEES

Student Tuition/Fee Increase Approval Process

1. **Notice and Comment Period.** Student tuition and fees are set by the State Board of Education annually. At least six weeks prior to fee setting, the institution's CEO shall transmit in writing to the student body president and student newspaper, the fee change proposal describing the amount, purpose, and expected total revenues resulting from the fee increase. A public hearing must be held with students invited to comment.
2. **Board Action.** To provide the institutions with enough time to prepare their coming fiscal year operating budgets, the state board generally takes final action on fee changes in April.
3. **Effective Date.** Typically, the board sets the beginning of the upcoming fiscal year as the effective date for any approved fee changes.

Tuition/Fees Approved by State Board of Education

Appropriated by Legislature

UNRESTRICTED

1. Tuition: any and all educational costs including instruction, support services, maintenance and operation of physical plant
2. Part-time Students
3. Graduate Students
4. Professional (law, medicine, etc.)
5. Summer School
6. Course Overload

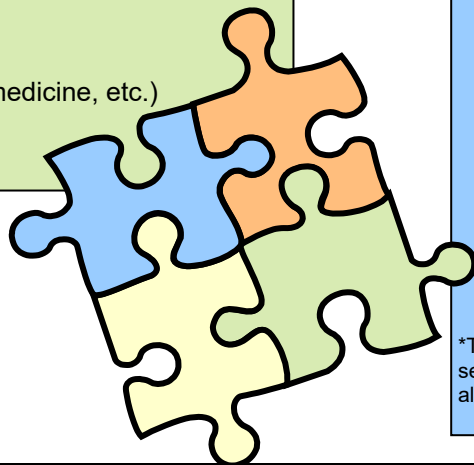
Fees Approved by Institution Presidents*

Not Appropriated by Legislature

Local Fees

1. Special Course Fees or Assessments (video outreach courses, lab, late registration, library and parking fines, etc.)
2. Student Health Insurance Premiums
3. Room and Board
4. Activity (activities that directly involve students, e.g., SUB, financial aid, intramurals, intercollegiate athletics, health center, etc.)
5. Technology Fee
6. Facility Fee (capital improvements, building projects and their debt service)

*The total annual percentage increase (tuition and fees) is set by the Board, but the institutions may determine how to allocate the increase between tuition and fees.



Annual Undergraduate Resident Tuition and Fees

	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Annual Change
Boise State University	6,874	6,874	7,330	7,694	3.8%
Idaho State University	6,784	6,956	7,166	7,420	3.0%
University of Idaho	7,020	7,232	7,450	7,864	3.9%
Lewis-Clark State College	6,000	6,120	6,334	6,620	3.3%
Average	\$6,670	\$6,796	\$7,070	\$7,400	3.5%

College and Universities

Agency Profile

Analyst: Jessup

Terms and Definitions

Appropriated Funds: In FY 2019, the Legislature appropriated 41.6% of the funds that support the college and universities' total operating budgets. Of the total amount, the General Fund represents 21.1%, student fees represent 19.3%, and endowment earnings represent 1.2% (see Endowment Fund Investment Board agency profile in this book for a history of endowment distributions).

Non-appropriated: FY 2019 operating funds that were not appropriated by the Legislature represented 58.3% of the total operating budgets for the four-year institutions. The information on the following pages provides details of those amounts, both consolidated and by institution.

Grants, Gifts, and Contracts: These funds include state and federal grants, private gifts, and competitively-bid contracts.

Auxiliary Enterprises: These funds are institutional business enterprises such as bookstores, student housing, intercollegiate athletics, student unions, etc.

Indirect Costs: These funds are from specific, negotiated rates applied to externally-sponsored projects (grants, contracts, cooperative agreements, subgrants, and subcontracts) funded by federal, state, or private sponsors. These rates allow the institutions to recover certain costs (e.g., facilities, utilities, libraries, administration, student services, etc.) associated with the projects.

Enrollment Workload Adjustment: Each year there is a budget request to keep pace with enrollment growth at the four institutions. Enrollment Workload Adjustment (EWA) is based on a calculation based on a three-year rolling average of the increase in resident credit hours, weighted by course level, and discipline. This funding mechanism has been discontinued by the State Board of Education beginning in FY 2020.

Occupancy Costs: Those costs associated with occupying eligible space including custodial, utility costs, maintenance, and other costs (IT maintenance, security and safety, insurance, landscape maintenance). "Eligible space" means all space other than auxiliary enterprise space. Occupancy costs for "common use" space (i.e., space which shares eligible and auxiliary enterprise space) will be prorated based on its use.

Systemwide Programs: Funding for Systemwide Programs is included in the college and universities' appropriation and then distributed to the institutions by the Office of the State Board of Education. Systemwide Programs include:

- (1) Higher Education Research Council (HERC): Formed in 1998 as a result of the State Board of Education's interest in promoting basic and applied research at the four-year institutions, HERC is responsible for implementing and administering the Board's HERC policy and related grant programs, which are designed to stimulate competitive research at Idaho's institutions.
- (2) Instructional projects specifically designed to foster innovative learning approaches using technology, to promote accountability and information transfer throughout the higher education system on a longitudinal basis, and to promote the Idaho Electronic Campus programs.
- (3) Outcome-based funding: Beginning in FY 2020, the State Board of Education adopted a new method of funding that incentivizes positive educational outcomes, including timely degree completion. The State Board of Education proposed this model as part in place of the enrollment workload adjustment and programmatic line items for the FY 2020 higher education budget (including College and Universities, Community Colleges, and Career Technical Post-Secondary Education).

College and Universities

Agency Profile

Analyst: Jessup

Selected Measures	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Avg. Ann. Chg.
Academic Enrollment: Full-Time Equivalent (FTE)					
Boise State University	15,423	15,954	16,305	16,955	3.3%
Idaho State University	9,220	9,049	8,766	8,609	-2.2%
University of Idaho	9,384	9,422	9,433	9,273	-0.4%
Lewis-Clark St College	2,432	2,476	2,436	2,354	-1.1%
Total	36,469	36,901	36,940	37,191	0.7%

Academic Headcount (full- and part-time students)

Boise State University	22,086	23,854	24,121	25,504	5.2%
Idaho State University	11,915	11,831	11,560	11,301	-1.7%
University of Idaho	11,372	11,780	12,072	11,841	1.4%
Lewis-Clark St College	3,216	3,481	3,313	3,321	1.1%
Total	48,589	50,946	51,066	51,967	2.3%

Combined Annual Operating Budgets for Institutions Only¹

Selected Measures	2015-16	2016-17	2017-18	2018-19	Avg. Ann. Chg.
State General Fund	\$253,811,400	\$274,482,200	\$281,987,400	\$289,547,400	4.7%
State Endowment	13,980,000	15,840,000	15,840,000	16,443,200	5.9%
Tuition/Student Fees	247,721,900	257,308,600	261,830,100	264,580,000	2.3%
Subtotal	\$515,513,300	\$547,630,800	\$559,657,500	\$570,570,600	3.6%

Non-appropriated Funds

Non-cog Tuition/Fees	\$8,342,100	(\$5,797,700)	(\$6,489,600)	\$3,988,600	-17.4%
Other Student Fees	84,103,000	88,334,700	109,741,000	112,013,500	11.1%
Fed Grants/Contracts	401,179,300	394,835,000	390,258,900	397,117,200	-0.3%
State Grants/Contracts	22,847,700	22,916,000	23,926,300	25,155,200	3.4%
Gifts, Grants/Contracts	63,564,800	63,578,500	62,421,600	58,818,800	-2.5%
Sales & Services	26,730,100	26,475,400	27,653,200	26,485,800	-0.3%
Auxiliary Enterprises	108,802,300	102,304,300	100,815,600	95,832,900	-4.0%
Indirect Costs	17,811,000	17,923,600	27,158,900	27,333,100	17.8%
All Other	33,043,000	37,896,800	41,930,700	52,421,700	19.5%
Subtotal	\$766,423,300	\$748,466,600	\$777,416,600	\$799,166,800	1.4%

Grand Total All Funds **\$1,281,936,600** **\$1,296,097,400** **\$1,337,074,100** **\$1,369,737,400** **2.3%**

Notes:

1. Because student fee increases are typically approved by the board after the College and Universities budget has been set by the Legislature, the operating budgets will have more appropriation for student fees than the original appropriation. These additional dollars are included in the "Non-cog Tuition/Fees" category of the non-appropriated funds. The operating budgets do not include funding related to Career Technical Education, Special and Health Education programs, and the Permanent Building Fund.

College and Universities

Agency Profile

Analyst: Jessup

FY 2019 Operating Budgets by Institution

(excludes funding related to Career Technical Education, Special and Health Education programs, and from the Permanent Building Fund.)

	Boise State University	Idaho State University	University of Idaho	Lewis-Clark State College
1. Sources of Funds				
Original Appropriation				
State General Fund	\$99,811,800	\$79,800,400	\$91,500,700	\$17,180,300
State General Fund O/T	0	22,000	1,226,200	6,000
State Endowment Funds	0	3,739,400	10,498,800	2,205,000
Tuition/Student Fees	107,146,900	65,724,900	75,578,300	16,129,900
Subtotal	\$206,958,700	\$149,286,700	\$178,804,000	\$35,521,200
Non-appropriated Funds				
Non-cog Tuition/Fees	\$11,041,300	(\$5,712,700)	(\$1,454,793)	\$114,800
Other Student Fees	60,111,062	27,576,085	21,122,877	3,203,500
Fed Grants/Contracts	137,000,000	104,886,231	136,853,062	18,377,900
State Grants/Contracts	5,000,000	8,396,912	9,668,565	2,089,700
Gifts, Grants/Contracts	26,052,355	7,124,898	23,449,196	2,192,400
Sales & Services	0	6,712,487	18,592,360	1,181,000
Auxiliary Enterprises	49,915,991	23,852,709	18,520,918	3,543,240
Indirect Costs	13,600,000	3,318,128	10,200,000	215,000
All Other	37,533,097	3,866,281	10,754,304	268,050
Subtotal	\$340,253,805	\$180,021,031	\$247,706,489	\$31,185,590
Grand Total All Funds	\$547,212,505	\$329,307,731	\$426,510,489	\$66,706,790
2. Uses of Funds				
Instruction	\$143,836,721	\$99,286,691	\$104,250,466	\$20,667,265
Research	34,619,061	18,135,846	64,876,141	504,836
Public Service	15,157,983	2,843,751	22,810,574	906,913
Academic Support	29,562,534	18,022,070	16,842,896	3,090,362
Libraries	8,265,950	6,284,173	10,790,197	1,402,827
Student Services	22,396,926	9,761,488	14,585,529	6,113,016
Institutional Support	47,732,041	24,189,767	37,261,804	5,667,719
Physical Plant	41,782,030	22,950,791	32,963,880	3,747,559
Scholarships and Fellowships	9,620,325	7,843,991	20,019,660	627,584
Federal Student Financial Aid	105,000,000	92,775,267	68,891,517	17,300,000
Auxiliary Enterprises	43,000,826	17,750,124	17,694,806	3,407,788
Athletics	43,087,697	10,274,181	15,118,100	3,249,069
Other	0	2,244,636	2,326,200	6,000
Total	\$544,062,094	\$332,362,776	\$428,431,769	\$66,690,938
Budget Under/(Over)	\$3,150,411	(\$3,055,045)	(\$1,921,280)	\$15,852

Note: Operating budgets are spending plans developed prior to the beginning of each fiscal year and are approved by the State Board of Education. Since student fee increases are typically approved by the board after the College and Universities budget has been set by the Legislature, the operating budgets will have more appropriation for student fees than the original appropriation.

College and Universities Agency Profile

Analyst: Jessup

Net Asset Balances As of June 30, 2018

Net Assets:	BSU	ISU	UI	LCSC	TOTAL
Invested in capital assets	\$304,127,522	\$141,343,196	\$243,910,315	\$52,980,093	\$742,361,126
Restricted, expendable	14,716,087	3,108,950	35,790,253	756,594	54,371,884
Unrestricted (see detail below)	100,907,926	94,059,301	16,017,834	19,532,694	230,517,755
Total Net Assets	\$419,751,535	\$238,511,447	\$295,718,402	\$73,269,381	\$1,027,250,765

Definitions

Invested in capital assets: This represents an institutions' total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included.

Restricted, expendable: This represents resources in which an institution is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted: This represents resources derived from student fees and sales and services of educational and auxiliary enterprises (self-supporting activities that provide services for students, faculty, and staff).

Unrestricted Net Assets Detail:	BSU	ISU	UI	LCSC	TOTAL
Obligated (Note A)	\$52,350,115	\$39,504,484	\$22,629,686	\$10,617,998	\$125,102,283
Designated (Note B)	33,581,196	40,240,147	0	6,139,241	79,960,584
Unrestricted Available (Note C)	14,976,615	14,314,670	(6,611,852)	2,775,455	25,454,888
Total Unrestricted Net Assets	\$100,907,926	\$94,059,301	\$16,017,834	\$19,532,694	\$230,517,755

Total Operating Expenses	\$399,674,724	\$249,231,000	\$418,389,338	\$54,119,017	\$1,121,414,079
Unrestricted Available Funds as a percentage of operating expenditures	3.7%	5.7%	(1.6%)	5.1%	2.3%

Note A **Obligated** - Contractual obligations represent a variety of agreements which support initiatives or operations that have moved beyond management planning into execution. Obligations include contracts for goods and services, including construction projects. Obligations contain debt service commitments for outstanding debt and staffing commitments for personnel. These amounts also consist of inventories and other balances for contractual commitments.

Note B **Designated** - Designated net assets represent balances that are not yet legally contracted, but have been dedicated to initiatives that have been deemed to be strategic or mission critical. Balances include capital or maintenance projects that are in active planning phases. Facility and administrative returns from sponsored projects (grants and contracts) are reinvested in infrastructure, or efforts to obtain additional grant funding. Documented central commitments to initiatives that have been approved at an executive level are designated.

Note C **Unrestricted Funds Available** - Balance represents reserves available to bridge uneven cash flows as well as future potential reduced funding. Current examples of potential future reductions are: budget reductions or holdbacks, enrollment fluctuations, and unfunded enrollment and workload adjustments. The State Board of Education has a benchmark within its strategic plan for unrestricted funds to be a minimum of 5% of operating expenditures.

Source: Taken from work papers relating to the institutions' audited financial statements.

College and Universities

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	4,680.80	295,763,200	576,786,400	4,680.80	295,763,200	576,786,400
Reappropriation	0.00	0	162,464,300	0.00	0	162,464,300
FY 2019 Total Appropriation	4,680.80	295,763,200	739,250,700	4,680.80	295,763,200	739,250,700
Noncognizable Funds and Transfers	69.56	0	22,824,500	69.56	0	22,824,500
Expenditure Adjustments	0.00	0	(4,166,300)	0.00	0	(4,166,300)
FY 2019 Estimated Expenditures	4,750.36	295,763,200	757,908,900	4,750.36	295,763,200	757,908,900
Removal of Onetime Expenditures	0.00	(1,254,200)	(173,441,900)	0.00	(1,254,200)	(173,441,900)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	4,750.36	294,509,000	584,467,000	4,750.36	294,509,000	584,467,000
Benefit Costs	0.00	89,600	173,800	0.00	(1,632,600)	(2,865,300)
Inflationary Adjustments	0.00	1,236,100	4,000,800	0.00	0	2,764,700
Replacement Items	0.00	9,801,200	9,917,900	0.00	0	116,700
Statewide Cost Allocation	0.00	106,200	106,200	0.00	106,200	106,200
Change in Employee Compensation	0.00	2,341,400	4,151,300	0.00	6,574,500	11,652,600
Nondiscretionary Adjustments	0.00	0	0	0.00	3,685,800	3,685,800
Endowment Adjustments	0.00	0	366,500	0.00	0	287,100
FY 2020 Program Maintenance	4,750.36	308,083,500	603,183,500	4,750.36	303,242,900	600,214,800
1. Outcome Based Funding	0.00	11,000,000	11,000,000	0.00	0	0
2. Outcome Based Funding - At Risk	0.00	0	0	0.00	0	0
3. Open Education Resources	0.00	250,000	250,000	0.00	0	0
4. College Academy for Parents	0.00	560,000	560,000	0.00	0	0
5. NextSteps Idaho Expansion	0.00	123,000	123,000	0.00	0	0
6. Idaho American Indian Access Fees	0.00	600,000	600,000	0.00	0	0
7. Higher Ed Dual Enrollment System	0.00	150,000	150,000	0.00	150,000	150,000
8. Occupancy Costs - BSU, ISU, and UI	6.36	1,775,600	1,775,600	3.18	887,800	887,800
9. UI, Benefit Cost Offset	0.00	1,226,200	1,226,200	0.00	0	0
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	4,756.72	323,768,300	618,868,300	4,753.54	304,280,700	601,252,600
Change from Original Appropriation	75.92	28,005,100	42,081,900	72.74	8,517,500	24,466,200
% Change from Original Appropriation		9.5%	7.3%		2.9%	4.2%

College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	4,680.80	295,763,200	281,023,200	0	576,786,400

Reappropriation

The agency was authorized to reappropriate or carryover is unencumbered and unspent appropriation of dedicated funds from FY 2018 into FY 2019. Carryover for Boise State University totaled \$37,009,100; Idaho State University totaled \$82,253,900; University of Idaho totaled \$24,901,000; and Lewis-Clark State College totaled \$18,300,300. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	0	162,464,300	0	162,464,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>162,464,300</i>	<i>0</i>	<i>162,464,300</i>

FY 2019 Total Appropriation					
Agency Request	4,680.80	295,763,200	443,487,500	0	739,250,700
<i>Governor's Recommendation</i>	<i>4,680.80</i>	<i>295,763,200</i>	<i>443,487,500</i>	<i>0</i>	<i>739,250,700</i>

Noncognizable Funds and Transfers

This adjusts the number of FTP upward by 69.56 (20.75 for BSU; 5.53 for ISU; 42.53 for UI; and .75 for LCSC) and adjusts tuition and student fees to align with the FY 2019 approved budget. Adjustments also include transfer of funds from the Higher Education Research Council (HERC), IGEN program awards, and General Fund distributions from the Systemwide Program to the college and universities, which net to zero.

Agency Request	69.56	0	22,824,500	0	22,824,500
<i>Governor's Recommendation</i>	<i>69.56</i>	<i>0</i>	<i>22,824,500</i>	<i>0</i>	<i>22,824,500</i>

Expenditure Adjustments

Amount includes a reduction of \$3,617,300 requested by Idaho State University to reflect a decrease in student tuition and fees (dedicated funds) and a reduction of \$549,000 requested by Lewis-Clark State College.

Agency Request	0.00	0	(4,166,300)	0	(4,166,300)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(4,166,300)</i>	<i>0</i>	<i>(4,166,300)</i>

FY 2019 Estimated Expenditures					
Agency Request	4,750.36	295,763,200	462,145,700	0	757,908,900
<i>Governor's Recommendation</i>	<i>4,750.36</i>	<i>295,763,200</i>	<i>462,145,700</i>	<i>0</i>	<i>757,908,900</i>

Removal of Onetime Expenditures

The agency requests removal of onetime funding appropriated and reappropriated in FY 2019.

Agency Request	0.00	(1,254,200)	(172,187,700)	0	(173,441,900)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(1,254,200)</i>	<i>(172,187,700)</i>	<i>0</i>	<i>(173,441,900)</i>

Base Adjustments

The agency requests removal of \$3,816,500 previously added for the Idaho Global Entrepreneurial Mission (iGEMS), Higher Education Research Council (HERC), and undergraduate research. Base adjustments also reverse and make permanent those adjustments made by institutions in the current fiscal year, including increases or decreases to student tuition and fees. The adjustments net to zero.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	4,750.36	294,509,000	289,958,000	0	584,467,000
<i>Governor's Recommendation</i>	<i>4,750.36</i>	<i>294,509,000</i>	<i>289,958,000</i>	<i>0</i>	<i>584,467,000</i>

College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	89,600	84,200	0	173,800
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(1,632,600)	(1,232,700)	0	(2,865,300)
Inflationary Adjustments				BSU, ISU, UI, and LCSC	
Boise State University: Includes a request of \$226,600 ongoing from the General Fund and \$941,900 ongoing from dedicated funds for general inflation; this request also includes \$237,500 ongoing from the General Fund for library inflation.					
Idaho State University: Includes a request of \$58,800 ongoing from the General Fund and \$876,200 ongoing from dedicated funds for general inflation; this request also includes \$234,300 ongoing from the General Fund for library inflation.					
University of Idaho: Includes a request of \$153,900 ongoing from the General Fund and \$626,200 ongoing from dedicated funds for general inflation; this request also includes \$252,700 ongoing from the General Fund and \$212,300 ongoing from dedicated funds for library inflation.					
Lewis-Clark State College: Includes a request of \$36,600 ongoing from the General Fund and \$108,100 ongoing from dedicated funds for general inflation; this request also includes \$35,700 ongoing from the General Fund for library inflation.					
Agency Request	0.00	1,236,100	2,764,700	0	4,000,800
<i>The Governor recommends only dedicated fund appropriation for inflation.</i>					
Governor's Recommendation	0.00	0	2,764,700	0	2,764,700
Replacement Items				BSU, ISU, UI, and LCSC	
Boise State University: The agency requests \$3,064,800 onetime from the General Funds for annual scheduled replacement of vehicles, lab and scientific equipment, audio visual equipment, and computer/data processing equipment.					
Idaho State University: The agency requests \$3,226,900 onetime from the General Fund for annual scheduled replacement of instructional instruments, lab and scientific equipment, and computer/data processing equipment.					
University of Idaho: The agency requests \$2,364,800 onetime from the General Fund and \$116,700 onetime from dedicated funds for annual scheduled replacement of computer/data processing equipment, media equipment, furniture, and lab equipment.					
Lewis-Clark State College: The agency requests \$1,144,700 onetime from the General Fund for annual scheduled replacement of annual scheduled replacement of network switches, video cameras, and computer/data processing equipment.					
Agency Request	0.00	9,801,200	116,700	0	9,917,900
<i>The Governor recommends only dedicated fund appropriation for replacement items.</i>					
Governor's Recommendation	0.00	0	116,700	0	116,700

College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation.

Boise State University: Risk management fees will decrease by \$29,800 and State Controller fees will increase by \$53,100, for a net increase of \$23,300.

Idaho State University: Risk management fees will decrease by \$63,100 and State Controller fees will increase by \$8,100, for a net decrease of \$55,000.

University of Idaho: Risk management fees will increase by \$9,800 and State Controller fees will increase by \$46,800, for a net increase of \$56,600.

Lewis-Clark State College: Risk management fees will decrease by \$11,400 and State Controller fees will increase by \$24,700, for a net increase of \$13,300.

The University of Idaho requests \$68,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 18.6%.

Agency Request	0.00	106,200	0	0	106,200
Governor's Recommendation	0.00	106,200	0	0	106,200

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	2,341,400	1,809,900	0	4,151,300
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Boise State University: The Governor recommends the pay structure for state employees be moved by 2% and includes \$12,100 for that purpose. Of this recommendation, \$7,900 is ongoing from the General Fund and \$4,200 is ongoing from dedicated funds.

Lewis-Clark State College: The Governor recommends the pay structure for state employees be moved by 2% and includes \$1,200 ongoing from the General Fund for that purpose.

Governor's Recommendation	0.00	6,574,500	5,078,100	0	11,652,600
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College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Nondiscretionary Adjustments					
The enrollment workload adjustment (EWA) formula was established in the policies Idaho State Board of Education (Board) and had historically been the primary formula for determining base funding requests from the Legislature for the past decade. After study, the Board has adopted new policy that utilizes an outcome-based funding model with metrics focused on timely degree completion. The Board provided preliminary FY 2020 EWA calculations that show an increase of \$608,900 for University of Idaho, \$87,900 for Lewis-Clark State College, \$2,489,100 for Boise State University, and \$499,900 for Idaho State University. These adjustments net to an overall increase of \$3,685,800.					
The college and university's budget request does not include any request for EWA funding, and has been replaced by line items 1 and 2 for Outcome Based Funding (OBF). The request for OBF considers both new funds and the reallocation of moneys in the institution's base budgets, both of which the Board has proposed to increase over the next three fiscal years (FY 2020, FY 2021, and FY 2022). OBF has been proposed in place of EWA and programmatic line items for FY 2020.					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$3,685,800 ongoing from the General Fund for an enrollment workload adjustment as generated by a formula that compares student credit hour levels over three consecutive years. This includes an increase of \$2,489,100 for Boise State University, \$499,900 for Idaho State University, \$87,900 for Lewis-Clark State College, and \$608,900 for the University of Idaho.</i>					
Governor's Recommendation	0.00	3,685,800	0	0	3,685,800
Endowment Adjustments				ISU, UI, and LCSC	
The total distribution of endowment funds includes \$4,007,400 to Idaho State University (ISU), \$10,756,000 to the University of Idaho (UI), and \$2,472,000 to Lewis-Clark State College (LCSC). The institutions use portions of endowment distributions for personnel costs, operating expenditures, and capital outlay purchases. This adjustment provides an appropriation for endowment funds not otherwise used for personnel costs and includes an increase of \$236,000 for ISU, an increase of \$213,000 for LCSC, and a decrease of \$82,500 for UI. This adjustment nets to an overall increase of \$366,500.					
Agency Request	0.00	0	366,500	0	366,500
<i>The Governor's recommendation is less than the request because more endowment funds are applied elsewhere in the budget for health benefit costs and the recommended 3% CEC.</i>					
Governor's Recommendation	0.00	0	287,100	0	287,100
FY 2020 Program Maintenance					
Agency Request	4,750.36	308,083,500	295,100,000	0	603,183,500
Governor's Recommendation	4,750.36	303,242,900	296,971,900	0	600,214,800

College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Outcome Based Funding	Systemwide Programs				
In August of 2018, the Idaho State Board of Education formally endorsed an outcome based funding model (OBF) to replace the previously utilized enrollment workload adjustment equity funding model (EWA). Requested funding would be distributed based on a rubric of metrics that emphasize timely completion of college. The State Board of Education has requested \$11,000,000 ongoing in trustee and benefit payments to be used for outcome based funding for the college and universities. Appropriations to the college and universities would be determined by the number of graduates produced by the institutions with added weights for timely completion, a high-impact multiplier tied to high-demand skill sets, and at-risk student populations (i.e. under-represented, first generation, adult students). Based on outcomes, the State Board of Education would distribute funds to the college and universities to support continued student completions.					
The outcome based funding request totals \$16,000,000 ongoing from the General Fund, and is being requested in three parts: \$11,000,000 for college and universities in this budget, \$3,000,000 for community colleges, and \$2,000,000 for career technical education.					
ANALYST COMMENT: In its final budget revision, the Idaho State Board of Education left \$600,000 identified for the College of Eastern Idaho included with the total community college OBF request. This means that \$600,000 is requested in line items 1 and 3. The more accurate totals for the OBF request would be \$15,400,000 ongoing from the General Fund, requested in three parts: \$11,000,000 for college and universities, \$2,400,000 for community colleges in this budget, and \$2,000,000 for career technical education.					
Agency Request	0.00	11,000,000	0	0	11,000,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. Outcome Based Funding - At Risk	Systemwide Programs				
The State Board of Education requests \$3,000,000 ongoing from the General Fund to be used for outcome based funding. An important part of the outcome based funding model is for each institution to stand the potential for incurred risk, or “skin in the game.” For the first year of implementation, the State Board of Education proposes to take 1.04% of the base appropriation from Boise State University (a reduction of \$1,038,600), Idaho State University (a reduction of \$830,400), Lewis-Clark State College (a reduction of \$178,800), and the University of Idaho (a reduction of \$952,200) to contribute to the pool of funding to be distributed according to the outcome based funding model. This percentage will increase to approximately 5% by the end of the three year phase-in period. A total of \$3,000,000 is deducted from the institutions' base budgets, and added to the systemwide program, resulting in a net-zero transfer between programs.					
Agency Request	0.00	0	0	0	0
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Open Education Resources	Systemwide Programs				
The agency requests \$250,000 from the General Fund to support delivery of Open Education Resources (OER), a no-cost and low-cost electronic textbook option for students. Of this request, \$50,000 is onetime for operating expenditures and \$200,000 is ongoing for operating expenditures. OER would be used specifically for 43 common-numbered courses included in the state general education policy. Faculty would be provided stipends to develop textbooks that are free and accessible for students, and used to offset incidental costs, primarily at the community colleges that do not maintain instructional technology staff.					
Agency Request	0.00	250,000	0	0	250,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. College Academy for Parents		Systemwide Programs			
The agency requests \$560,000 ongoing from the General Fund for development of parent academy programs at secondary institutions. At present, programming provided for parents by institutions is inconsistent and limited in scope. The entirety of this request is for trustee and benefit payments to Idaho's eight postsecondary institutions. Relevant college and career advising has been identified as a factor in a student's decision to pursue post-secondary educational opportunities and graduate with a degree. Parent academy programs in other states have shown promise, and often include a program for parents to learn more about academic planning, financing opportunities, identifying support networks, and success strategies for their students. Each institution would be able to tailor their parent academy to their local and regional needs within a set framework that includes collaboration with local school districts, with special attention to families with first generation students. Each of Idaho's eight postsecondary institutions would receive \$70,000 to be used for personnel costs and operating expenditures.					
Agency Request	0.00	560,000	0	0	560,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
5. NextSteps Idaho Expansion		Systemwide Programs			
The agency requests \$123,000 in ongoing operating expenditures from the General Fund for the expansion of the NextSteps Idaho website. Currently, the website provides college and career information and resources targeted at students in 8th through 12th grades, their parents, and school counselors. The Workforce Development Taskforce convened in 2017 and recommended using the NextSteps Idaho website to more affectively target adults who are exploring educational opportunities.					
Agency Request	0.00	123,000	0	0	123,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
6. Idaho American Indian Access Fees		Systemwide Programs			
The agency requests \$600,000 in ongoing trustee and benefit payments from the General Fund for the establishment of a \$60 per credit fee for students who are enrolled members of the five federally recognized tribes that share Idaho's borders. Students who would qualify for the reduced fee would be those who can demonstrate membership to the Shoshone-Bannock, Nez Perce, Couer d'Alene, Shoshone Paiute, or Kootenai Tribe, complete their Free Application for Federal Student Aid (FASFA), and maintain satisfactory academic progress (as defined by the institution). Funding would be provided to institutions to offset foregone revenue by the institution based on the number of students who take advantage of the reduced credit fee.					
Agency Request	0.00	600,000	0	0	600,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
7. Higher Ed Dual Enrollment System		Systemwide Programs			
The agency requests \$150,000, in ongoing operating expenditures, from the General Fund, for Idaho's postsecondary institutions to join a dual enrollment registration system. Funding would enable the Office of the State Board of Education to purchase a statewide software license and create a single platform that students can use to enroll for dual credit courses. The new platform would enable students to easily navigate available courses, explore and select colleges, manage deadlines, and support continued participation. The platform would also serve as a powerful recruitment tool for students and improve access, especially for rural and low-income student populations.					
Agency Request	0.00	150,000	0	0	150,000
Recommended by the Governor.					
Governor's Recommendation	0.00	150,000	0	0	150,000

College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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8. Occupancy Costs - BSU, ISU, and UI

BSU, ISU, and UI

Boise State University: The institution requests occupancy costs for the Fine Arts Building (to open June 2019), Micron Center for Materials Research Building (to open April 2020), Campus Planning and Facilities Building (to open January 2018), and the Alumni and Friends Center (occupied December 2017). The agency also requests a decrease of \$272,200 ongoing from the General Fund in occupancy costs related to the demolition of the University Drive Annex. These requests net to \$1,367,400 in ongoing occupancy costs from the General Fund.

Idaho State University: The institution requests occupancy costs for the Meridian cadaver lab expansion (to be occupied in June 2019), the Engineering Project Center (occupied in February 2017), and the Public Safety Infill (occupied in January 2017), which totals \$188,800 ongoing from the General Fund.

University of Idaho: The institution requests occupancy costs for the WWAMI Medical Education Building expansion (to be occupied in July 2019), UI Radio-TV Center (to be occupied in October 2019), and the UI Research and Collections remodel (to be occupied in July 2019), which totals \$219,400 ongoing from the General Fund.

Agency Request	6.36	1,775,600	0	0	1,775,600
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Boise State University: The Governor recommends 2.32 FTP and funding for the Fine Arts Building (an increase of \$486,100), Micron Center for Materials Research Building (and increase of \$191,000), Campus Planning and Facilities Building (a reduction of \$1,800), and the Alumni and Friends Center (an increase of \$8,400), for a net increase of \$683,700 ongoing from the General Fund.

Idaho State University: The Governor recommends 0.29 FTP and funding for the Meridian cadaver lab expansion (an increase of \$85,600), the Engineering Project Center (an increase of \$4,500), and the Public Safety Infill (an increase of \$4,300), for a net increase of \$94,400 ongoing from the General Fund.

University of Idaho: The Governor recommends 0.57 FTP and funding for the WWAMI Medical Education Building expansion (and increase of \$27,700), UI Radio-TV Center (and increase of \$1,900), and the UI Research and Collections remodel (and increase of \$80,100), for a net increase of \$109,700 ongoing from the General Fund.

The Governor recommends the State Board of Education revisit the process and funding of building occupancy costs.

Governor's Recommendation	3.18	887,800	0	0	887,800
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9. UI, Benefit Cost Offset

University of Idaho

During the 2018 session, the Legislature approved onetime funding for a health benefit cost offset to the University of Idaho. The University of Idaho is one of three institutions of higher education that does not participate in the state's benefit plan, and the offset was intended to compensate for the anticipated decrease in the state's support of FTP at the institution for FY 2019. The institution requests onetime continuation of funding for FY 2020.

Agency Request	0.00	1,226,200	0	0	1,226,200
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Budget Law Exemptions

BSU, ISU, UI, and LCSC

Systemwide Programs, Boise State University, Idaho State University, Lewis-Clark State College, and the University of Idaho request an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation between programs and among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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College and Universities

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	4,756.72	323,768,300	295,100,000	0	618,868,300
<i>Governor's Recommendation</i>	<i>4,753.54</i>	<i>304,280,700</i>	<i>296,971,900</i>	<i>0</i>	<i>601,252,600</i>
Agency Request					
Change from Original App	75.92	28,005,100	14,076,800	0	42,081,900
% Change from Original App	1.6%	9.5%	5.0%		7.3%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>72.74</i>	<i>8,517,500</i>	<i>15,948,700</i>	<i>0</i>	<i>24,466,200</i>
<i>% Change from Original App</i>	<i>1.6%</i>	<i>2.9%</i>	<i>5.7%</i>		<i>4.2%</i>

Community Colleges

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
College of Southern Idaho	14,305,800	14,305,800	14,464,000	14,337,300	14,540,200
College of Western Idaho	12,770,000	12,770,000	14,138,900	14,121,800	15,458,700
North Idaho College	12,925,100	12,925,100	13,109,900	13,126,500	12,703,700
College of Eastern Idaho	0	0	5,213,800	6,052,100	5,480,600
CC Systemwide	0	0	0	3,531,000	40,000
Total:	40,000,900	40,000,900	46,926,600	51,168,700	48,223,200
BY FUND CATEGORY					
General	39,400,900	39,400,900	46,126,600	50,313,700	47,368,200
Dedicated	600,000	600,000	800,000	855,000	855,000
Total:	40,000,900	40,000,900	46,926,600	51,168,700	48,223,200
Percent Change:		0.0%	17.3%	9.0%	2.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	31,431,300	0	38,132,600	38,664,300	39,491,400
Operating Expenditures	7,906,200	0	7,927,600	8,760,700	8,026,400
Capital Outlay	663,400	0	866,400	688,700	650,400
Trustee/Benefit	0	40,000,900	0	3,055,000	55,000
Total:	40,000,900	40,000,900	46,926,600	51,168,700	48,223,200

Division Description

Idaho's community colleges provide: two-year associate degrees and academic transfer programs; ensure adequate knowledge for those entering para-professional levels of the labor market; provide skills and knowledge to those seeking professional licensure; and provide adult education and community service programs.

Codified community colleges in Idaho include the College of Southern Idaho (CSI) in Twin Falls, College of Western Idaho (CWI) in Nampa, and North Idaho College (NIC) in Coeur d'Alene. In May of 2017, voters in Bonneville County approved the creation of a taxation district to support the College of Eastern Idaho (CEI) in Idaho Falls.

The community college budget appropriated by the Legislature includes only the state support from the General Fund and an \$800,000 statutory distribution of liquor funds. Pursuant to Section 23-404(1)(b)(iii), Idaho Code, liquor funds are divided evenly among codified institutions. The Legislature does not appropriate local property tax revenues, student tuition and fees, county tuition, or other miscellaneous revenues.

Community Colleges Agency Profile

Analyst: Jessup

Student Information	2015-16	2016-17	2017-18	2018-19	Annual Change
Fall Snapshot, Full-Time Equivalent (FTE) Academic and Career Technical, 2018					
College of Southern Idaho	3,702	3,518	3,409	3,378	-2.9%
College of Western Idaho	4,908	4,858	5,185	5,035	0.9%
North Idaho College	3,779	3,510	3,345	3,188	-5.2%
College of Eastern Idaho*	462	470	546	813	25.3%
Total	12,851	12,356	12,485	12,414	-1.1%
Fall Snapshot, Headcount, Academic and Career Technical, 2018					
College of Southern Idaho	7,570	7,021	7,063	6,978	-2.6%
College of Western Idaho	8,435	9,120	10,321	10,291	7.3%
North Idaho College	5,543	5,344	5,390	5,270	-1.6%
College of Eastern Idaho*	687	676	809	1,384	33.8%
Total	22,235	22,161	23,583	23,923	2.5%
Annual Student Tuition & Fees**					
College of Southern Idaho	\$2,880	\$3,120	\$3,120	\$3,360	5.6%
College of Western Idaho	\$3,264	\$3,336	\$3,336	\$3,336	0.7%
North Idaho College	\$3,214	\$3,288	\$3,360	\$3,360	1.5%
College of Eastern Idaho*	\$2,334	\$2,404	\$2,464	\$3,096	10.9%

*Previously Eastern Idaho Technical College

**Full-time enrollment is calculated at 12 credits per semester

Financial Information	Actual Expend. FY 2018	Approp. FY 2019	Request FY 2020	\$ Change FY 2018 to FY 2020	% Change FY 2018 to FY 2020
College of Southern Idaho					
State General Fund [†]	\$14,105,800	\$14,264,000	\$14,137,300	\$31,500	0.2%
Property Tax	6,641,100	6,539,900	6,800,000	158,900	2.4%
Tuition and Fees ^{††}	11,666,800	11,206,200	11,800,000	133,200	1.1%
Other	4,101,300	3,653,000	3,074,000	(1,027,300)	-25.0%
Total	\$36,515,000	\$35,663,100	\$35,811,300	-\$703,700	-1.9%
College of Western Idaho					
State General Fund [†]	\$12,570,000	\$13,938,900	\$13,921,800	\$1,351,800	10.8%
Property Tax	7,844,288	8,387,300	8,638,900	794,612	10.1%
Tuition and Fees ^{††}	22,626,412	20,911,400	26,174,700	3,548,288	15.7%
Other	1,308,300	1,866,100	1,866,100	557,800	42.6%
Total	\$44,349,000	\$45,103,700	\$50,601,500	\$6,252,500	14.1%
North Idaho College					
State General Fund [†]	\$12,725,100	\$12,518,900	\$12,926,500	\$201,400	1.6%
Property Tax	15,014,800	15,264,800	15,599,600	584,800	3.9%
Tuition and Fees ^{††}	11,832,200	12,784,600	13,070,700	1,238,500	10.5%
Other	2,673,500	1,714,700	2,035,100	(638,400)	-23.9%
Total	\$42,245,600	\$42,283,000	\$43,631,900	\$1,386,300	3.3%
College of Eastern Idaho					
State General Fund [†]	\$0	\$5,013,800	\$5,797,100	\$5,797,100	-
Property Tax	0	860,000	1,171,500	1,171,500	-
Tuition and Fees ^{††}	0	4,152,600	3,748,500	3,748,500	-
Other	0	773,800	1,229,500	1,229,500	-
Total	\$0	\$10,800,200	\$11,946,600	\$11,946,600	-

[†] These funds are appropriated by the Legislature. Each institution also receives \$200,000 from the State Liquor Fund. These funds are included as "Other", along with county tuition offsets, and other miscellaneous fund sources.

^{††} Includes Career Technical Education student fees and summer credit classes.

Community Colleges

Agency Profile

Analyst: Jessup

Community College Taxing District Information

	Levy Rate / \$100,000 Assessed Value	Total Valuation	Total Tax Charged
College of Southern Idaho			
2013	\$97.07	\$5,508,098,852	\$5,346,793
2014	\$95.55	\$5,763,316,656	\$5,506,857
2015	\$96.49	\$5,958,786,059	\$5,749,361
2016	\$98.92	\$6,102,259,644	\$6,036,333
2017	\$95.41	\$6,619,941,360	\$6,315,964
College of Western Idaho			
2013	\$18.21	\$34,311,112,262	\$6,249,013
2014	\$16.63	\$39,451,900,388	\$6,560,077
2015	\$16.42	\$42,282,915,154	\$6,942,147
2016	\$15.95	\$47,177,822,649	\$7,524,878
2017	\$15.36	\$51,085,954,861	\$7,844,288
North Idaho College			
2013	\$120.15	\$11,472,122,065	\$13,783,194
2014	\$112.39	\$12,359,983,215	\$13,890,803
2015	\$109.89	\$13,087,893,022	\$14,382,710
2016	\$104.95	\$14,026,088,304	\$14,719,900
2017	\$97.88	\$15,340,157,680	\$15,014,827

The **College of Southern Idaho** (situated in a community college area comprised of Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Twin Falls, and portions of Elmore and Owyhee counties) has two counties (Jerome and Twin Falls) within its tax district.

The **College of Western Idaho** (situated in a community college area comprised of Ada, Adams, Boise, Canyon, Gem, Payette, Valley, Washington, and portions of Elmore and Owyhee counties) has two counties (Ada and Canyon) within its tax district.

North Idaho College (situated in a community college area comprised of Benewah, Bonner, Boundary, Kootenai, and Shoshone counties) has one county (Kootenai) within its tax district.

College of Eastern Idaho (situated in a community college area comprised of Bonneville, Butte, Clark, Custer, Fremont, Jefferson, Lemhi, Madison, Teton, and part of Bingham counties) has one county (Bonneville) within its tax district. The College of Eastern Idaho does not anticipate proceeds from its district levy until July 2019.

Community Colleges

Comparative Summary

Analyst: Jessup

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	46,126,600	46,926,600	0.00	46,126,600	46,926,600
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	0.00	46,126,600	46,926,600	0.00	46,126,600	46,926,600
Removal of Onetime Expenditures	0.00	(601,000)	(601,000)	0.00	(601,000)	(601,000)
FY 2020 Base	0.00	45,525,600	46,325,600	0.00	45,525,600	46,325,600
Benefit Costs	0.00	156,800	156,800	0.00	(129,600)	(129,600)
Inflationary Adjustments	0.00	75,300	75,300	0.00	0	0
Change in Employee Compensation	0.00	329,500	329,500	0.00	933,800	933,800
Nondiscretionary Adjustments	0.00	0	0	0.00	621,000	621,000
FY 2020 Program Maintenance	0.00	46,087,200	46,887,200	0.00	46,950,800	47,750,800
1. Outcome Based Funding	0.00	3,000,000	3,000,000	0.00	0	0
2. Outcome Based Funding - Institution	0.00	0	0	0.00	0	0
3. CEI, Enrollment Growth Funding	0.00	600,000	600,000	0.00	0	0
4. Systemwide Expenses	0.00	0	0	0.00	0	0
5. CSI & CEI, Transfer of Faculty	0.00	0	0	0.00	0	0
6. CSI & NIC, Benefit Cost Offset	0.00	391,700	391,700	0.00	0	0
7. NIC, Occupancy Costs	0.00	234,800	234,800	0.00	117,400	117,400
8. CEI, Interest Earning Distributions	0.00	0	55,000	0.00	0	55,000
9. Partial Offset of Negative EWA	0.00	0	0	0.00	300,000	300,000
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	0.00	50,313,700	51,168,700	0.00	47,368,200	48,223,200
Change from Original Appropriation	0.00	4,187,100	4,242,100	0.00	1,241,600	1,296,600
% Change from Original Appropriation		9.1%	9.0%		2.7%	2.8%

Community Colleges

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	46,126,600	800,000	0	46,926,600

Noncognizable Funds and Transfers

Includes a net zero transfer of \$1,600 from personnel costs to operating expenditures by the College of Eastern Idaho.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	0.00	46,126,600	800,000	0	46,926,600
Governor's Recommendation	0.00	46,126,600	800,000	0	46,926,600

Removal of Onetime Expenditures

College of Southern Idaho: Removal of onetime capital outlay purchases related to FY 2019 line items in the amount of \$210,000.

North Idaho College: Removal of onetime capital outlay purchases related to FY 2019 line items in the amount of \$391,000.

Agency Request	0.00	(601,000)	0	0	(601,000)
Governor's Recommendation	0.00	(601,000)	0	0	(601,000)

FY 2020 Base					
Agency Request	0.00	45,525,600	800,000	0	46,325,600
Governor's Recommendation	0.00	45,525,600	800,000	0	46,325,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

The community colleges request to shift a total of \$2,100 from the Community College Fund to the General Fund to accommodate the increase for personnel costs because receipts from the sale of liquor deposited to the Community College Fund are fixed at \$200,000 per institution. The College of Southern Idaho requests a shift of \$600, North Idaho College requests a shift of \$900, and the College of Eastern Idaho requests a shift of \$600.

Agency Request	0.00	156,800	0	0	156,800
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(129,600)	0	0	(129,600)
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Inflationary Adjustments

College of Southern Idaho: Includes a request of \$36,500 ongoing from the General Fund for general inflation, and \$500 ongoing from the Community College Funds for general inflation; the request also includes \$4,600 ongoing from the General Fund for library inflation.

College of Western Idaho: Includes a request of \$28,600 ongoing from the General Fund for library inflation.

North Idaho College: Includes a request of \$3,800 ongoing from the General Fund for library inflation.

The College of Southern Idaho requests to shift a total of \$500 from the Community College Fund to the General Fund to accommodate the increase for personnel costs because receipts from the sale of liquor deposited to the Community College Fund are fixed at \$200,000 per institution.

Agency Request	0.00	75,300	0	0	75,300
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The Governor does not recommend General Fund appropriation for inflation or the affiliated fund shift.

Governor's Recommendation	0.00	0	0	0	0
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Community Colleges

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Community colleges request to shift a total of \$4,200 from the Community College Fund to the General Fund to accommodate the increase for personnel costs because receipts from the sale of liquor deposited to the Community College Fund are fixed at \$200,000 per institution. The College of Southern Idaho requests a shift of \$1,300, North Idaho College requests a shift of \$1,100, and the College of Eastern Idaho requests a shift of \$1,800.					
Agency Request	0.00	329,500	0	0	329,500
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	933,800	0	0	933,800
Nondiscretionary Adjustments				NIC, CSI, CWI, & CEI	
The enrollment workload adjustment (EWA) formula was established in the policies of the Idaho Board of Education (Board) and has historically been the primary formula for determining base funding requests from the Legislature for the past decade. After study, the Board has adopted a new policy that utilizes an outcome-based funding model with metrics focused on timely degree completion. The Board provided preliminary FY 2020 EWA calculations that show an increase of \$203,300 for the College of Southern Idaho and \$1,096,300 for the College of Western Idaho, and a decrease of \$678,600 for North Idaho College. These adjustments net to an overall increase of \$621,000 and do not include an appropriation for the College of Eastern Idaho. As it was only funded as a community college beginning in FY 2019, there is no historical data to determine an EWA distribution for the College of Eastern Idaho.					
The community college's budget request does not include a request for EWA, and has been replaced by line items 1 and 2 that support Outcome Based Funding (OBF). The requests for OBF consider both new funds and the reallocation of moneys in the institution's base budgets, both of which the Board has proposed to increase over the next three fiscal years (FY 2020, FY 2021, and FY 2022). OBF has been proposed in place of EWA and programmatic line items for FY 2020.					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$621,000 ongoing from the General Fund for an enrollment workload adjustment as generated by a formula that compares student credit hour levels over three consecutive years. This includes an increase of \$203,300 for the College of Southern Idaho, an increase of \$1,096,300 for the College of Western Idaho, and a decrease of \$678,600 for North Idaho College. No recommendation is made for the College of Eastern Idaho.</i>					
Governor's Recommendation	0.00	621,000	0	0	621,000
FY 2020 Program Maintenance					
Agency Request	0.00	46,087,200	800,000	0	46,887,200
Governor's Recommendation	0.00	46,950,800	800,000	0	47,750,800

Community Colleges

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Outcome Based Funding					CC Systemwide

In August of 2018, the Idaho State Board of Education formally endorsed an outcome based funding (OBF) model to replace the previously utilized enrollment workload adjustment equity funding model (EWA). Requested funding would be distributed based on a rubric of metrics that emphasize timely completion of college. The State Board of Education has requested \$3,000,000 ongoing in trustee and benefit payments to be used for outcome based funding for community colleges. Appropriations to the College of Southern Idaho, College of Western Idaho, and North Idaho College would be determined by the number of graduates produced by the institutions with added weights for timely completion, a high-impact multiplier tied to high-demand skill sets, and at-risk student populations (i.e. under-represented, first generation, adult students). Based on outcomes, the State Board of Education would distribute funds to the community colleges to support continued student completions.

The outcome based funding request totals \$16,000,000 ongoing from the General Fund, and is being requested in three parts: \$11,000,000 for college and universities, \$3,000,000 for community colleges in this budget, and \$2,000,000 for career technical education.

ANALYST COMMENT: The College of Eastern Idaho, having only become a community college during FY 2019, will not have measurable academic outcomes until FY 2022 and is not included in the projected distribution of outcome based funds until that time. A distribution to the College of Eastern Idaho is proposed in line item 3 of this budgeted division.

ANALYST COMMENT: In its final budget revision, the Idaho State Board of Education left \$600,000 identified for the College of Eastern Idaho included with the total community college OBF request. This means that \$600,000 is requested in line items 1 and 3. The more accurate totals for the OBF request would be \$15,400,000 ongoing from the General Fund, requested in three parts: \$11,000,000 for college and universities, \$2,400,000 for community colleges in this budget, and \$2,000,000 for career technical education.

Agency Request	0.00	3,000,000	0	0	3,000,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Outcome Based Funding - Institution	CSI, CWI, NIC, and CC Systemwide
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The State Board of Education requests \$491,000 ongoing from the General Fund to be used for outcome based funding. A total of \$491,000 would be deducted from the institutions' base budgets, and added to the systemwide program, resulting in a net zero transfer between programs. An important part of the outcome based funding model is for each institution to stand the potential for incurred risk, or "skin in the game." For the first year of implementation, the State Board of Education proposes to take 1.2% of the base appropriation from the College of Southern Idaho (a reduction of \$170,300), College of Western Idaho (a reduction of \$166,500), and North Idaho College (a reduction of \$154,200) to contribute to the pool of funding to be distributed according to the outcome based funding model. This percentage will increase to approximately 5% by the end of the three year phase-in period.

Agency Request	0.00	0	0	0	0
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Community Colleges

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. CEI, Enrollment Growth Funding					
College of Eastern Idaho					
The agency requests \$600,000 for ongoing operating expenditures from the General Fund to support student enrollment growth at the College of Eastern Idaho. Having only become a community college during FY 2019, the College of Eastern Idaho (CEI) will not have measurable academic outcomes until the FY 2022 funding cycle and is not included in the proposed distribution of outcome based funds at this time. The Office of the State Board of Education requests that CEI be appropriated \$600,000 of the board's initial recommendation of \$3,000,000 for outcome based funding (OBF) in order to fund anticipated enrollment growth. These moneys would support the continued growth of CEI's academic programs and contribute to the institution's base funding. This request is consistent with appropriations to the College of Western Idaho during its initial years of operation.					
Agency Request	0.00	600,000	0	0	600,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. Systemwide Expenses					
NIC, CSI, CWI, CEI, and CC Systemwide					
The agency requests \$40,000 ongoing from the General Fund for systemwide costs incurred by the Office of the State Board of Education (OSBE). This request includes a reduction of \$10,000 from each of the community colleges, and nets to zero. OSBE incurs costs that benefit the college and universities and the community colleges for such initiatives including, but not limited to, Next Steps, Direct Admissions, and Retirement Plan legal review. While the community colleges benefit from these centralized services, their cost has been primarily born by the college and universities.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. CSI & CEI, Transfer of Faculty					
College of Southern Idaho, College of Eastern Idaho					
During the 2017 session, the Legislature appropriated \$132,200 ongoing from the General Fund for two dedicated faculty members at the College of Southern Idaho Outreach Center in Idaho Falls. This request nets to zero. Faculty teach general education courses in English and mathematics to students who attended Eastern Idaho Technical College (EITC) before its transition to the College of Eastern Idaho (CEI). The College of Southern Idaho has requested that these faculty positions be transferred to CEI to continue instruction on campus as part of CEI's academic programming.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. CSI & NIC, Benefit Cost Offset					
North Idaho College, College of Southern Idaho					
During the 2018 session, the Legislature approved onetime funding for a health benefit cost offset to North Idaho College and the College of Southern Idaho. The community colleges are two of three institutions of higher education that do not participate in the state's benefit plan, and the offset was intended to compensate for the anticipated decrease in the state's support of FTP at the institution for FY 2019. The institutions request onetime continuation of funding for FY 2020.					
Agency Request	0.00	391,700	0	0	391,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Community Colleges

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
7. NIC, Occupancy Costs					
North Idaho College					
North Idaho College requests occupancy costs in the amount of \$234,800 ongoing from the General Fund for the North Idaho Collaboration Education Facility (to open June 2019). This request will support the hiring of 1.12 FTP and includes \$40,300 in ongoing personnel costs and \$194,500 in ongoing operating expenditures.					
Agency Request	0.00	234,800	0	0	234,800
<i>The Governor recommends 0.56 FTP and \$117,400 ongoing from the General Fund for the North Idaho Collaboration Education Facility. This recommendation includes \$20,200 in ongoing personnel costs and \$97,200 in ongoing operating expenditures. The Governor recommends the State Board of Education revisit the process and funding of building occupancy costs.</i>					
Governor's Recommendation	0.00	117,400	0	0	117,400
8. CEI, Interest Earning Distributions					
College of Eastern Idaho					
The agency requests \$55,000 onetime from the Higher Education Surplus Stabilization fund to purchase instructional equipment. The College of Eastern Idaho requests the interest remaining in this account as onetime trustee and benefit payments be appropriated to purchase hospital beds for the health sciences programs and laboratory equipment for physics, chemistry, and biology coursework. During the 2016 session, the Legislature appropriated \$5,000,000 to the Higher Education Surplus Stabilization Fund to provide start-up funds for a new community college in Idaho Falls. In May of 2017, Bonneville County voted to establish a new community college and the \$5,000,000 was distributed to the College of Eastern Idaho in June of 2017. During its time in the fund, the appropriated funds earned interest that remained in the account after the distribution. Section 33-3726(4), Idaho Code, provides that moneys in this account "shall be expended for the establishment, use and support of a community college in eastern Idaho" and "shall be made subject to legislative appropriation."					
Agency Request	0.00	0	55,000	0	55,000
Governor's Recommendation	0.00	0	55,000	0	55,000
9. Partial Offset of Negative EWA					
North Idaho College					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$300,000 onetime from the General Fund for North Idaho College to partially offset the reduction in enrollment workload adjusted funding as recommended in nondiscretionary adjustments.</i>					
Governor's Recommendation	0.00	300,000	0	0	300,000
Budget Law Exemptions					
CSI, NIC, CWI, and CEI					
The College of Southern Idaho, North Idaho College, College of Western Idaho, and College of Eastern Idaho request an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation between programs and among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	0.00	50,313,700	855,000	0	51,168,700
Governor's Recommendation	0.00	47,368,200	855,000	0	48,223,200
Agency Request					
Change from Original App	0.00	4,187,100	55,000	0	4,242,100
% Change from Original App		9.1%	6.9%		9.0%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	1,241,600	55,000	0	1,296,600
% Change from Original App		2.7%	6.9%		2.8%

Office of the State Board of Education

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
OSBE Administration	17,596,800	10,372,000	15,439,500	16,062,300	15,963,100
Charter School Commission	665,600	488,700	521,700	523,400	527,200
Total:	18,262,400	10,860,700	15,961,200	16,585,700	16,490,300
BY FUND CATEGORY					
General	5,584,900	5,109,300	6,374,900	6,993,900	6,847,100
Dedicated	5,812,500	5,421,100	6,846,200	6,850,400	6,899,000
Federal	6,865,000	330,300	2,740,100	2,741,400	2,744,200
Total:	18,262,400	10,860,700	15,961,200	16,585,700	16,490,300
Percent Change:		(40.5%)	47.0%	3.9%	3.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,389,600	2,740,800	3,377,900	3,746,800	3,552,000
Operating Expenditures	5,032,400	2,031,600	9,877,000	10,117,600	10,120,300
Capital Outlay	3,000	1,400	42,900	57,900	54,600
Trustee/Benefit	9,837,400	6,086,900	2,663,400	2,663,400	2,663,400
Lump Sum	0	0	0	0	100,000
Total:	18,262,400	10,860,700	15,961,200	16,585,700	16,490,300
Full-Time Positions (FTP)	31.25	31.25	34.25	38.25	35.25

Division Description

The Office of the State Board of Education (OSBE) provides professional staff support to the State Board of Education. Staff expertise is focused primarily on program evaluation, fiscal oversight, and centralized record keeping. Board staff also respond to board requests for special studies, monitor agency compliance with board policies, and administer state-funded financial aid programs. OSBE is responsible for the general supervision, governance, and control of Idaho's public education system from kindergarten through the doctoral level, including oversight of public schools, college and universities, and the community colleges.

The board is composed of eight members, seven of whom are appointed to five-year terms by the Governor and are subject to Senate confirmation. The eighth member is the holder of the statewide elected office of the Superintendent of Public Instruction. The board holds regular meetings each year on the campuses of Idaho's institutions of higher education. The board also meets in January during the legislative session, holds a college and universities fee setting meeting in April, and calls additional special meetings as needed.

Funding sources and uses for OSBE include:

1. **GENERAL FUND.** The General Fund supports general administrative functions of OSBE, membership dues, and programs administered by OSBE. Also supports the operating costs of the Idaho Charter School Commission.
2. **INDIRECT COST RECOVERY FUND.** This fund supports administrative costs of accounting/human resources and goods and services that benefit the entire office, but cannot be directly charged to any one program.
3. **MISCELLANEOUS REVENUE FUND.** This fund offsets administrative costs of reviewing/registering schools. In FY 2019, the Legislature appropriated \$6,125,000 to this fund to enable OSBE to receive annual sub-lease payments for research and educational facilities in Idaho Falls and submit lease payments to the Idaho State Building Authority. Payments will begin to be received in FY 2020, but no moneys will remain with OSBE.
4. **FEDERAL GRANT FUND.** Federal grant money supports various programs, including College Access Challenge Grant, Statewide Data Systems, and Improving Teacher Quality state grants.
5. **CHARTER AUTHORIZERS FUND.** Pursuant to Section 33-5214, Idaho Code, moneys are utilized for the charter commission's cost of operations and costs incurred by OSBE overseeing any charter authorizers.

Office of the State Board of Education

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	34.25	6,374,900	15,961,200	34.25	6,374,900	15,961,200
Reappropriation	0.00	0	6,711,600	0.00	0	6,711,600
FY 2019 Total Appropriation	34.25	6,374,900	22,672,800	34.25	6,374,900	22,672,800
Removal of Onetime Expenditures	0.00	(299,500)	(7,011,100)	0.00	(299,500)	(7,011,100)
FY 2020 Base	34.25	6,075,400	15,661,700	34.25	6,075,400	15,661,700
Benefit Costs	0.00	(1,700)	(1,000)	0.00	(20,200)	(21,600)
Inflationary Adjustments	0.00	28,100	28,100	0.00	28,100	28,100
Replacement Items	0.00	53,500	53,500	0.00	12,600	53,500
Statewide Cost Allocation	0.00	186,100	186,100	0.00	186,100	186,100
Change in Employee Compensation	0.00	24,700	29,500	0.00	73,700	88,400
FY 2020 Program Maintenance	34.25	6,366,100	15,957,900	34.25	6,355,700	15,996,200
1. Associate Chief Academic Officer	1.00	109,500	109,500	1.00	108,400	108,400
2. Complete College America Prgm Mngr	1.00	100,700	100,700	0.00	0	0
3. Career Info System Enhancements	0.00	20,000	20,000	0.00	20,000	20,000
4. Administrative Staff	1.00	54,700	54,700	0.00	0	0
5. Master Ed Premium Portfolio Review	0.00	263,000	263,000	0.00	263,000	263,000
6. Audio/Visual Web Systems Tech	1.00	79,900	79,900	0.00	0	0
7. K-12 Task Force	0.00	0	0	0.00	100,000	100,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	2,700
FY 2020 Total	38.25	6,993,900	16,585,700	35.25	6,847,100	16,490,300
Change from Original Appropriation	4.00	619,000	624,500	1.00	472,200	529,100
% Change from Original Appropriation		9.7%	3.9%		7.4%	3.3%

Office of the State Board of Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	34.25	6,374,900	6,846,200	2,740,100	15,961,200

Reappropriation

The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation of dedicated and federal funds from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	0	176,900	6,534,700	6,711,600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>176,900</i>	<i>6,534,700</i>	<i>6,711,600</i>

FY 2019 Total Appropriation					
Agency Request	34.25	6,374,900	7,023,100	9,274,800	22,672,800
<i>Governor's Recommendation</i>	<i>34.25</i>	<i>6,374,900</i>	<i>7,023,100</i>	<i>9,274,800</i>	<i>22,672,800</i>

Removal of Onetime Expenditures

Removes onetime funding for reappropriation and replacement items in FY 2019.

Agency Request	0.00	(299,500)	(176,900)	(6,534,700)	(7,011,100)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(299,500)</i>	<i>(176,900)</i>	<i>(6,534,700)</i>	<i>(7,011,100)</i>

FY 2020 Base					
Agency Request	34.25	6,075,400	6,846,200	2,740,100	15,661,700
<i>Governor's Recommendation</i>	<i>34.25</i>	<i>6,075,400</i>	<i>6,846,200</i>	<i>2,740,100</i>	<i>15,661,700</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	(1,700)	700	0	(1,000)
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(20,200)</i>	<i>(1,400)</i>	<i>0</i>	<i>(21,600)</i>

Inflationary Adjustments

The agency requests \$28,100 for contracts associated with the Western Interstate Commission for Higher Education (WICHE) membership fees and IntoCareers. IntoCareers is software utilized as part of Career Information Services (CIS) and is accessed through the Office of the State Board of Education's Next Steps website by job seekers and students exploring career options.

Agency Request	0.00	28,100	0	0	28,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>28,100</i>	<i>0</i>	<i>0</i>	<i>28,100</i>

Replacement Items

The agency requests \$53,500 onetime from the General Fund to replace one high end laptop computer (\$1,900), nine standard desktop computers (\$7,700), two standard laptop/tablet computers (\$3,000), backup drives (\$10,400), a tape backup drive (\$4,800), network attached storage (\$11,900), one network switch (\$4,600), and one server (\$9,200).

Agency Request	0.00	53,500	0	0	53,500
<i>The Governor recommends \$12,600 onetime from the General Fund and \$40,900 onetime from the Indirect Cost Recovery, a dedicated fund, for replacement of items requested by the agency.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>12,600</i>	<i>40,900</i>	<i>0</i>	<i>53,500</i>

Office of the State Board of Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management fees will increase by \$165,800, State Controller fees will increase by \$1,300, State Treasurer fees will increase by \$100, and Attorney General fees will decrease by \$3,600, for a net increase of \$163,600.					
This request also includes \$22,500 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.					
Agency Request	0.00	186,100	0	0	186,100
Governor's Recommendation	0.00	186,100	0	0	186,100
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	24,700	3,500	1,300	29,500
The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.					
Governor's Recommendation	0.00	73,700	10,600	4,100	88,400
FY 2020 Program Maintenance					
Agency Request	34.25	6,366,100	6,850,400	2,741,400	15,957,900
Governor's Recommendation	34.25	6,355,700	6,896,300	2,744,200	15,996,200
1. Associate Chief Academic Officer			OSBE Administration		
The agency requests 1.00 FTP and \$109,500 from the General Fund for an associate chief academic officer to more effectively oversee the development of policy and implementation of student success initiatives. Of this request, \$108,400 is ongoing for personnel costs and \$1,100 is onetime for capital outlay. The chief academic officer currently carries out these responsibilities and also oversees the management of committees charged with postsecondary service delivery. Board goals and the recommendations approved by the Governor's Task Force on Higher Education, have led to the creation of new programs and initiatives that have experienced bottlenecks at implementation and oversight due to overextended staff. The addition of new staff to assist the chief academic officer would alleviate this increased demand.					
Agency Request	1.00	109,500	0	0	109,500
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	1.00	108,400	0	0	108,400
2. Complete College America Prgm Mngr			OSBE Administration		
The agency requests 1.00 FTP and \$100,700 from the General Fund for a program manager to oversee Complete College America initiatives and support postsecondary degree completion. Of this request, \$99,600 is ongoing for personnel costs and \$1,100 is onetime for capital outlay. This position would serve under the agency's chief academic officer and alleviate the bottleneck that occurs in the direct oversight, communication, and coordination of completion initiatives at the state's eight postsecondary institutions. The program manager would be responsible for daily coordinating and tracking of institutional progress toward board objectives including universal math pathway sequences, adult learner accommodations, timely completion strategies, and first-year transition practices.					
Agency Request	1.00	100,700	0	0	100,700
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

Office of the State Board of Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Career Info System Enhancements					OSBE Administration
The agency requests \$20,000 in ongoing operating expenditures from the General Fund for enhancements to the Career Information System (CIS). In 2018, the Legislature moved CIS from the Department of Labor to the Office of the State Board of Education and the board currently uses an operating system that is under contract. The contract for this operating system will be renegotiated in FY 2020, and the board would like to include enhancements to the system. Enhancements include access to an interest inventory, wage information for various occupations, and occupation requirements. The requested funds will also cover the cost of regular updates necessary to maintain the CIS website as a useful tool for school districts, postsecondary institutions, labor offices, and Idaho job seekers.					
Agency Request	0.00	20,000	0	0	20,000
Governor's Recommendation	0.00	20,000	0	0	20,000
4. Administrative Staff					OSBE Administration
The agency requests 1.00 FTP and \$54,700 from the General Fund for an administrative support staff member to support communications and research staff. Of this request, \$53,600 is ongoing for personnel costs and \$1,100 is onetime for capital outlay. At present, one administrative staff member supports 14 staff, which the agency asserts is not a sustainable workload. A new position would assist seven communications and research staff, cutting the current workload in half. The board believes that the addition of this new administrative staff would alleviate bottlenecks in important office functions.					
Agency Request	1.00	54,700	0	0	54,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. Master Ed Premium Portfolio Review					OSBE Administration
The agency requests \$263,000 in ongoing operating expenditures from the General Fund. Requested moneys would be used to conduct trainings that will assure the reliability and consistency of reviewers for the Master Teacher Education Premium. Moneys will also provide stipends for reviewers who have volunteered to review portfolios. In FY 2020, the Master Education Premium established pursuant to Section 33-1004(I), Idaho Code, will go into effect. The process approved by the Idaho State Board of Education will require teachers to create and submit a portfolio that will be reviewed to determine if the applying teacher meets the standards to receive the premium. If a teacher is determined to meet the required standards by the State Board of Education, the Department of Education will distribute payments through the public school appropriation.					
Agency Request	0.00	263,000	0	0	263,000
Governor's Recommendation	0.00	263,000	0	0	263,000
6. Audio/Visual Web Systems Tech					OSBE Administration
The agency requests 1.00 FTP and \$79,900 from the General Fund for an audio/visual and web systems technician to meet the support and service needs of board staff. Of this request, \$78,800 is ongoing for personnel costs and \$1,100 is onetime for capital outlay. At present, the Office of the State Board of Education (OSBE) has no dedicated audio visual support, and the workload has increased with the addition of Career Information System staff to the board. This position will ensure that OSBE and the Charter Commission will be able to connect with other institutions and agencies throughout Idaho and work on networking, video and web hosting, cybersecurity, and other IT initiatives.					
Agency Request	1.00	79,900	0	0	79,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
7. K-12 Task Force					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$100,000 onetime from the General Fund for a second kindergarten through twelfth grade task force to evaluate next steps in the strategic funding of public schools for the future.</i>					
Governor's Recommendation	0.00	100,000	0	0	100,000

Office of the State Board of Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	2,700	0	2,700
FY 2020 Total					
Agency Request	38.25	6,993,900	6,850,400	2,741,400	16,585,700
Governor's Recommendation	35.25	6,847,100	6,899,000	2,744,200	16,490,300
Agency Request					
Change from Original App	4.00	619,000	4,200	1,300	624,500
% Change from Original App	11.7%	9.7%	0.1%	0.0%	3.9%
Governor's Recommendation					
Change from Original App	1.00	472,200	52,800	4,100	529,100
% Change from Original App	2.9%	7.4%	0.8%	0.1%	3.3%

Health Education Programs

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
WIMU Veterinary Education	2,076,100	2,076,100	2,116,500	2,165,400	2,159,900
WWAMI Medical Education	5,303,400	5,303,400	6,399,500	6,952,500	6,610,400
Idaho Dental Education	2,560,000	1,920,500	1,828,400	1,892,600	1,897,500
Univ. of Utah Med. Ed.	1,576,000	1,576,000	1,694,900	2,049,800	2,049,800
Family Medicine Residencies	4,440,900	4,440,900	5,000,900	6,400,200	5,867,800
Boise Internal Medicine	540,000	540,000	617,500	1,132,500	875,000
Psychiatry Residency	157,800	157,800	397,800	397,800	397,800
Eastern Idaho Med Residencies	0	0	455,000	1,155,000	1,105,000
Bingham Internal Medicine	0	0	525,000	705,000	645,000
Total:	16,654,200	16,014,700	19,035,500	22,850,800	21,608,200
BY FUND CATEGORY					
General	15,594,200	15,502,600	18,714,500	22,524,800	21,280,100
Dedicated	1,060,000	512,100	321,000	326,000	328,100
Total:	16,654,200	16,014,700	19,035,500	22,850,800	21,608,200
Percent Change:		(3.8%)	18.9%	20.0%	13.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,832,100	2,945,300	3,644,000	4,927,200	4,469,600
Operating Expenditures	1,970,900	2,059,300	2,219,200	2,336,700	2,251,700
Capital Outlay	244,300	494,800	93,000	15,000	12,500
Trustee/Benefit	10,606,900	10,515,300	13,079,300	15,571,900	14,874,400
Total:	16,654,200	16,014,700	19,035,500	22,850,800	21,608,200
Full-Time Positions (FTP)	25.80	25.80	30.15	40.65	36.65

Division Description

The nine Health Education Programs include:

1. The WIMU (Washington-Idaho-Montana-Utah) Veterinary Education Program provides access to a veterinary medical education through a cooperative agreement between the University of Idaho and Washington State University.
2. The WWAMI (Washington, Wyoming, Alaska, Montana, Idaho) Medical Education Program provides Idaho students with the opportunity to attend medical school through a cooperative agreement with the University of Washington.
3. The IDEP (Idaho Dental Education Program) provides access to dental education for Idaho students through a cooperative agreement between Idaho State University and Creighton University in Omaha, Nebraska.
4. The University of Utah Medical Education Program provides medical school opportunities for Idaho.
5. Idaho's three Family Medicine Residency programs (located in Boise, Pocatello, and Coeur d'Alene) provide the final three years of family physician residency training and encourage newly graduated medical doctors to practice in Idaho.
6. The Boise Internal Medicine (BIM) residency program allows training at rural and underserved sites in Idaho, such as small, non-affiliated offices and community-based training sites.
7. The Idaho Psychiatry Residency Program offers training for residents who spend the first two years in Seattle (University of Washington) and the last two years in Boise. Clinical rotations occur at the Boise VA, St. Alphonsus, and St. Luke's medical centers, as well as at rural rotations around the state.
8. The EIMR (Eastern Idaho Medical Residencies) program allows training at rural and underserved sites in eastern Idaho, based from the Eastern Idaho Regional Medical Center in Idaho Falls.
9. The Bingham (Bingham Internal Medicine) residency program allows training at rural and underserved sites in eastern Idaho, based out of Blackfoot.

Health Education Programs

Agency Profile

Analyst: Jessup

Medical, Dental, and Veterinary Education Students and Funding

	<i>Medical</i>		<i>Dental</i>	<i>Veterinary</i>
	WWAMI	UofU	IDEP	W-I
Idaho Students (2017-2018)				
1st Year Students	40	10	8	11
2nd Year Students	40	10	8	11
3rd Year Students	40	10	8	11
4th Year Students	40	8	8	11
Total Idaho Students	160	38	32	44
Annual Costs Per Student				
Student Paid Tuition & Fees (2018-2019)	\$ 38,267	\$ 39,280	\$ 28,067	\$ 26,572
Avg. State Support (FY 2019 Approp.) ¹	\$ 40,000	\$ 44,600	\$ 50,200	\$ 45,800
Total Cost Per Seat Per Year	\$ 78,267	\$ 83,880	\$ 78,267	\$ 72,372
Location of Instruction				
1st Year	UI/Moscow	UofU/Salt Lake	ISU/Pocatello ²	WSU/Pullman
2nd Year	UI/Moscow ³	UofU/Salt Lake	Creighton/Omaha	WSU/Pullman
3rd Year	WWAMI Region ⁴	UofU/Salt Lake	Creighton/Omaha	WSU/Pullman
4th Year	WWAMI Region ⁴	UofU/Salt Lake	Creighton/Omaha	Pullman/W.I.M.U.
Rate of Return to Idaho/ Return on Investment	50% ⁵	N/A ⁶	65%	72% ⁵

¹ Based on a simple calculation of the General Fund appropriation divided by the total number of students. This reflects paying the difference between in-state and out-of-state tuition, and in some cases, a portion of the General Fund appropriation is also used for faculty and other administrative expenses.

² First-year IDEP students pay ISU resident tuition and fees (\$7,166) and the IDEP program fee. The second, third, and fourth-year students only pay the IDEP program fee.

³ A portion of the year will be online.

⁴ The third and fourth-year clinical rotations can be completed in Idaho or throughout the five-state WWAMI region.

⁵ Since the following dates: WWAMI (1975); IDEP (1982); W-I (2000).

⁶ The institution reports that since the program began in 1971, Idaho has sponsored 277 Idaho medical students. There are currently 267 graduates of the University of Utah School Medicine and residency programs currently practicing in Idaho (2018).

Residency & Fellowship Programs in Idaho

Types	Speciality	Location	Budgeted Program	Year Established	Total Number of Resident/Fellows
Residency	Family Medicine	Boise	FMR	1974-2015	33
Fellowships	Sports Medicine, HIV/Viral Hepatitis, Geriatrics, and Obstetrics	Boise	FMR	1995-2015	4
Residency	Family Medicine	Caldwell	FMR	1995	9
Residency	Family Medicine	Magic Valley	FMR	2009	6
Residency ¹	Family Medicine	Pocatello	FMR	1992	21
Residency	Family Medicine	Coeur d'Alene	FMR	2014	18
Residency	Internal Medicine	Boise VA	BIM	2011	27
Transitional	Transitional Internship	Boise VA	BIM	1977	4
Residency	Psychiatry	Boise	Psych Ed	2006	7
Residency	Internal Medicine	Blackfoot	Bingham	2018	12
Residency	Internal Medicine	Idaho Falls	EIMR	2018	10

¹ Includes three residencies for pharmacy.

Health Education Programs

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	30.15	18,714,500	19,035,500	30.15	18,714,500	19,035,500
Reappropriation	0.00	0	547,900	0.00	0	547,900
1. FMR, Rural Training Track	1.50	375,000	375,000	1.50	375,000	375,000
2. FMR, Net Object Transfer	0.00	0	0	0.00	0	0
FY 2019 Total Appropriation	31.65	19,089,500	19,958,400	31.65	19,089,500	19,958,400
Noncognizable Funds and Transfers	3.00	0	3,500	3.00	0	3,500
FY 2019 Estimated Expenditures	34.65	19,089,500	19,961,900	34.65	19,089,500	19,961,900
Removal of Onetime Expenditures	0.00	(87,500)	(635,400)	0.00	(87,500)	(635,400)
FY 2020 Base	34.65	19,002,000	19,326,500	34.65	19,002,000	19,326,500
Benefit Costs	0.00	(900)	(1,100)	0.00	(17,800)	(19,000)
Inflationary Adjustments	0.00	436,600	436,600	0.00	411,600	411,600
Replacement Items	0.00	9,500	9,500	0.00	7,000	7,000
Change in Employee Compensation	0.00	37,600	39,300	0.00	106,300	111,100
FY 2020 Program Maintenance	34.65	19,484,800	19,810,800	34.65	19,509,100	19,837,200
1. WWAMI, Project ECHO Idaho	2.00	361,500	361,500	0.00	0	0
2. UUSOM, Year 4 Build-Out	0.00	90,800	90,800	0.00	90,800	90,800
3. UUSOM, Leave of Absence	0.00	22,700	22,700	0.00	22,700	22,700
4. UUSOM, Psych Residents	0.00	180,000	180,000	0.00	180,000	180,000
5. FMR, Resident Support	4.00	990,000	990,000	2.00	450,000	450,000
6. BIM, Resident Support & Expan	0.00	515,000	515,000	0.00	257,500	257,500
7. EIMR, Resident Support & Expan	0.00	700,000	700,000	0.00	650,000	650,000
8. Bingham, Resident Support & Expan	0.00	180,000	180,000	0.00	120,000	120,000
FY 2020 Total	40.65	22,524,800	22,850,800	36.65	21,280,100	21,608,200
Change from Original Appropriation	10.50	3,810,300	3,815,300	6.50	2,565,600	2,572,700
% Change from Original Appropriation		20.4%	20.0%		13.7%	13.5%

Health Education Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	30.15	18,714,500	321,000	0	19,035,500

Reappropriation

The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation of dedicated funds from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base. The Idaho Dental Education Program reappropriation included \$547,900 in dedicated funds from student tuition and fees.

Agency Request	0.00	0	547,900	0	547,900
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>547,900</i>	<i>0</i>	<i>547,900</i>

1. FMR, Rural Training Track

Family Medicine Residencies

The Family Residency Program requests 1.50 FTP and \$375,000 for ongoing personnel costs from the General Fund to support the implementation of the rural training track at Idaho State University (ISU). In FY 2018, the Governor recommended an ongoing appropriation from the General Fund and federal funds for additional medical residency seats to address Idaho's physician shortage. The increase in graduate medical education funding was recommended and appropriated to expand programs at the Boise Family Medicine Residency Program, the Idaho State University Family Medicine Residency Program, and the University of Washington Internal Medicine Program. The recommended funding totaled \$2,425,000 and was split between the Office of the State Board of Education (\$1,550,000 General Fund) and the Department of Health and Welfare (\$251,500 General Fund, \$623,500 in federal funds). The recommendation for the Department of Health and Welfare consisted of Medicaid allowable expenses, whereas the recommendation for the Office of the State Board of Education consisted of non-allowable Medicaid expenses. However, shortly after the appropriation was set, it became apparent that ISU would not be able to use the federal match. The Department of Health and Welfare and ISU tried to find workable solutions throughout FY 2018. However, when no solution was identified, the department, with support from the Division of Financial Management, provided only the General Fund to ISU because ISU had already hired individuals to support new residencies, even though it was known the match could not be used. As a result, the Department of Health and Welfare is requesting a rescission to return the moneys associated with ISU, which includes \$107,800 from the General Fund and \$267,200 from federal funds. In turn, ISU is requesting 1.50 FTP and \$375,000 ongoing from the General Fund to implement their initial plans.

Agency Request	1.50	375,000	0	0	375,000
<i>Governor's Recommendation</i>	<i>1.50</i>	<i>375,000</i>	<i>0</i>	<i>0</i>	<i>375,000</i>

2. FMR, Net Object Transfer

Family Medicine Residencies

With S1366 of 2018, the Legislature provided a General Fund appropriation for additional support to medical residencies throughout the state. Among these appropriations was \$235,000 in trustee and benefit payments to the Family Medical Residency Program at Idaho State University (ISU). Historically, the Family Medical Residency Program at ISU has received its appropriation as personnel costs. The agency requests that the appropriation for FY 2019, and all future appropriations, change to conform to this historical appropriation trend. Specifically, this request reduces trustee and benefit payments by \$235,000, and increases the personnel costs by \$235,000, for a net zero object transfer to the appropriation.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2019 Total Appropriation

Agency Request	31.65	19,089,500	868,900	0	19,958,400
<i>Governor's Recommendation</i>	<i>31.65</i>	<i>19,089,500</i>	<i>868,900</i>	<i>0</i>	<i>19,958,400</i>

Noncognizable Funds and Transfers

FMR: Adds 3.00 FTP related to the supplemental appropriation transferring trustee and benefit payments to personnel costs.

IDEP: Adds \$3,500 to adjust expenditures due to fees received by the program in excess of expectations.

Agency Request	3.00	0	3,500	0	3,500
<i>Governor's Recommendation</i>	<i>3.00</i>	<i>0</i>	<i>3,500</i>	<i>0</i>	<i>3,500</i>

Health Education Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Estimated Expenditures					
Agency Request	34.65	19,089,500	872,400	0	19,961,900
Governor's Recommendation	34.65	19,089,500	872,400	0	19,961,900

Removal of Onetime Expenditures

The agency requests removal of onetime capital outlay funding provided in FY 2019 line items, plus carryover of FY 2018 dedicated funds, and onetime capital outlay funding for replacement items.

Agency Request	0.00	(87,500)	(547,900)	0	(635,400)
Governor's Recommendation	0.00	(87,500)	(547,900)	0	(635,400)

FY 2020 Base					
Agency Request	34.65	19,002,000	324,500	0	19,326,500
Governor's Recommendation	34.65	19,002,000	324,500	0	19,326,500

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	(900)	(200)	0	(1,100)
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(17,800)	(1,200)	0	(19,000)
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Inflationary Adjustments

WIMU, WWAMI, IDEP, FMR

WIMU: Includes a request of \$10,800 for general inflation and \$32,500 (a 1.9% increase) for contract cost escalation with Washington State University College of Veterinary Medicine.

WWAMI: Includes a request of \$2,700 for general inflation and \$260,600 for contract cost escalation with the University of Washington School of Medicine.

IDEP: Includes request of \$57,100 for contract cost escalation with Creighton University School of Dentistry.

UUSOM: Includes a request of \$61,400 for contract cost escalation with the University of Utah School of Medicine.

FMR: Includes a request of \$11,500 for general inflation.

Agency Request	0.00	436,600	0	0	436,600
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WIMU: The Governor recommends \$32,500 for contract cost escalation with Washington State University College of Veterinary Medicine.

WWAMI: The Governor recommends \$260,600 for contract cost escalation with the University of Washington School of Medicine.

IDEP: The Governor recommends \$57,100 for contract cost escalation with Creighton University School of Dentistry.

UUSOM: The Governor recommends \$61,400 for contract cost escalation with the University of Utah School of Medicine.

The Governor does not recommend General Funds for general inflation.

Governor's Recommendation	0.00	411,600	0	0	411,600
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Replacement Items

FMR: The agency requests \$9,500 for the replacement of computer equipment, including two Apple MacBook Pros (\$7,000) and one standard laptop (\$2,500). The higher than typical cost for this equipment is due to higher computing capabilities, memory, storage, video graphics, and specialized software. The agency requires robust computing standards for electronic medical record software, clinical research and analysis software and computing, HIPPA data encryption, cloud computing, and video conferencing.

Agency Request	0.00	9,500	0	0	9,500
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FMR: The Governor recommends \$7,000 onetime from the General Fund for the replacement of two Apple MacBook Pros.

Governor's Recommendation	0.00	7,000	0	0	7,000
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Health Education Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	37,600	1,700	0	39,300
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	106,300	4,800	0	111,100
FY 2020 Program Maintenance					
Agency Request	34.65	19,484,800	326,000	0	19,810,800
Governor's Recommendation	34.65	19,509,100	328,100	0	19,837,200
1. WWAMI, Project ECHO Idaho			WWAMI Medical Education		
The agency requests 2.00 FTP and \$361,500 from the General Fund to expand programming and provide staffing of Project ECHO (Extension for Community Healthcare Outcomes) at the University of Idaho. Of this request, \$301,500 is for ongoing personnel costs (\$173,500 for salaries and benefits; \$128,000 group position funding for panel experts) and \$60,000 is for ongoing operating expenditures (travel, office supplies, and teleconferencing). Project ECHO is a health services delivery model that incorporates a hub-and-spoke network of specialists. Primary care doctors, nurses, and other clinicians work with community providers who can then access a network of chronic pain and opioid use disorder specialists via video conferencing. Project ECHO launched in March 2018, led by the University of Idaho and WWAMI, and has been supported by funding from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services that passed through the Idaho Department of Health and Welfare. This source of funding will expire in January 2019 and WWAMI is requesting General Fund moneys to support the continuation of the project.					
Agency Request	2.00	361,500	0	0	361,500
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. UUSOM, Year 4 Build-Out			University of Utah Medical Education		
The agency requests \$90,800 ongoing from the General Fund for two additional seats for fourth-year students. In FY 2017, two additional seats were added to the incoming class of students, increasing the incoming class to ten students, and increasing the overall number of students in the program. The addition of these seats required a commitment of new funds for FY 2017, FY 2018, FY 2019, and FY 2020 as the new class progresses towards graduation, increasing the total number of students in the program from 32 to 40 students over four years. For FY 2020, there will be ten students in the first, second, third, and fourth years of the medical school program for a total of 40 students.					
Agency Request	0.00	90,800	0	0	90,800
Governor's Recommendation	0.00	90,800	0	0	90,800
3. UUSOM, Leave of Absence			University of Utah Medical Education		
The agency requests \$22,700 onetime from the General Fund for one student to complete the fourth year of medical school, and is unrelated to the build-out of seats. The agency reports that one student was required to take medical leave from a severe illness and left its cohort of students. This student, now recovered, has returned to complete their medical education. The rejoining of this student creates a one year boost in the total number of students in the cohort, from 40 to 41 students. However, once the student graduates, the total number of students will return to 40 total, or ten students per year.					
Agency Request	0.00	22,700	0	0	22,700
Governor's Recommendation	0.00	22,700	0	0	22,700

Health Education Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. UUSOM, Psych Residents					
University of Utah Medical Education					
The agency requests \$180,000 ongoing from the General Fund for three new psychiatry residents as part of a programmatic collaboration between the University of Utah School of Medicine and Idaho State University Psychiatry Program. The entirety of this appropriation is requested in trustee and benefit payments. The annual cost of training a resident for one year is approximately \$194,000. The request would be the first year of a proposed program that would accommodate twelve psychiatry residents by FY 2028. The agency believes that increasing the number of available residencies, especially for high-demand fields like psychiatry and mental health, would benefit all Idaho residents.					
Agency Request	0.00	180,000	0	0	180,000
Governor's Recommendation	0.00	180,000	0	0	180,000
5. FMR, Resident Support					
Family Medicine Residencies					
The Family Medical Residency program (FMR) requests 4.00 FTP and \$990,000 from the General Fund to increase the support for medical residencies in Idaho and expand residency offerings. Of the total request, \$330,000 is ongoing for personnel costs for the portion of the program funded through Idaho State University. The remaining \$660,000 is ongoing for trustee and benefit payments for other statewide residencies.					
The annual cost of training a resident for one year is approximately \$194,000. In 2018, the Legislature increased support of medical residents through the Family Medical Residency program to \$35,000 per medical resident, per year. Based on recommendations from the Medical Association Graduate Medical Education (GME) Subcommittee, this request would increase state support from all FMR residents to \$45,000 per resident. The FMR program includes support for 87 medical residents and three pharmacy residents. To increase support for existing residencies, the agency requests a subtotal of \$870,000 (no increase requested for pharmacy residents). The request also includes the creation of two new resident positions (\$60,000 each).					
Agency Request	4.00	990,000	0	0	990,000
<i>The Governor recommends 2.00 FTP and \$450,000 from the General Fund to increase the support for medical residencies in Idaho and expand residency offerings. Of the total request, \$120,000 is ongoing for personnel costs for the portion of the program funded through Idaho State University and \$330,000 is ongoing for trustee and benefit payments for other statewide residencies. This recommendation would increase support for residents from \$35,000 to \$40,000 per resident.</i>					
Governor's Recommendation	2.00	450,000	0	0	450,000
6. BIM, Resident Support & Expan					
Boise Internal Medicine					
The Boise Internal Medicine residency program (BIM) requests \$515,000 to increase the support for medical residencies in Idaho and expand residency offerings. The annual cost of training a resident for one year is approximately \$194,000. The entirety of this request is for trustee and benefit payments. In 2018, the Legislature increased support of medical residents through the BIM residency program to \$17,500 per medical resident, per year. This number is half of that paid for other residency programs because the Boise Internal Medicine residencies are a collaboration with the federal Veterans Administration, which covers half of the cost. Based on recommendations from the Medical Association Graduate Medical Education (GME) Subcommittee, this request would increase state support from all BIM residents to \$45,000 per resident. The BIM residency program includes support for 31 medical residents. To increase support for existing residencies, the agency requests a subtotal of \$155,000 (\$5,000 per medical resident). The request also includes the creation of five new resident positions (\$60,000 each) and one chief resident position (\$60,000). To increase the number of resident's positions, the subtotal is \$360,000.					
Agency Request	0.00	515,000	0	0	515,000
<i>The Governor recommends \$257,500 ongoing from the General Fund to increase the support for medical residencies in Idaho and expand residency offerings. This recommendation would increase support for residents from \$17,500 to \$20,000 per resident. The Veterans Administration will match this increase, moving the total support per resident from \$35,000 to \$40,000 for existing residents. Additionally, the recommendation would support three new residents at a rate of \$60,000 per resident.</i>					
Governor's Recommendation	0.00	257,500	0	0	257,500

Health Education Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
7. EIMR, Resident Support & Expan		Eastern Idaho Med Residencies			
The Eastern Idaho Regional Medical Residency program (EIMR) requests \$700,000 to increase the support for medical residencies in Idaho and expand residency offerings. The entirety of this appropriation is requested in trustee and benefit payments. The annual cost of training a resident for one year is approximately \$194,000. In 2018, the Legislature increased support of medical residents through the EIMR residency program to \$35,000 per medical resident, per year. Based on recommendations from the Medical Association Graduate Medical Education (GME) Subcommittee, this request would increase state support from all residents to \$45,000 per resident. The EIMR residency program includes support for ten medical residents. To increase support for existing residencies, the agency requests a subtotal of \$100,000 (\$10,000 per medical resident). The request also includes the creation of ten new resident positions (\$60,000 each), for a subtotal of \$600,000.					
Agency Request	0.00	700,000	0	0	700,000
The Governor recommends \$650,000 ongoing from the General Fund to increase the support for medical residencies in Idaho and expand residency offerings. This recommendation would increase support for residents from \$35,000 to \$40,000 per resident for ten existing residents. Additionally, the recommendation would support ten new residents at a rate of \$60,000 per resident.					
Governor's Recommendation	0.00	650,000	0	0	650,000
8. Bingham, Resident Support & Expan		Bingham Internal Medicine			
The Bingham Internal Medicine Residency program (Bingham) requests \$180,000 to increase the support for medical residencies in Idaho and expand residency offerings. The entirety of this appropriation is requested in trustee and benefit payments. The annual cost of training a resident for one year is approximately \$194,000. In 2018, the Legislature increased support of medical residents through the Bingham residency program to \$35,000 per medical resident, per year. Based on recommendations from the Medical Association Graduate Medical Education (GME) Subcommittee, this request would increase state support from all residents to \$45,000 per resident. The Bingham residency program includes support for twelve medical residents. To increase support for existing residencies, the agency requests a subtotal of \$120,000 (\$10,000 per medical resident). The request also includes the creation of one new resident position for \$60,000.					
Agency Request	0.00	180,000	0	0	180,000
The Governor recommends \$120,000 ongoing from the General Fund to increase the support for medical residencies in Idaho and expand residency offerings. This recommendation would increase support for residents from \$35,000 to \$40,000 per resident for twelve existing residents. Additionally, the recommendation includes \$60,000 for one new resident.					
Governor's Recommendation	0.00	120,000	0	0	120,000
FY 2020 Total					
Agency Request	40.65	22,524,800	326,000	0	22,850,800
Governor's Recommendation	36.65	21,280,100	328,100	0	21,608,200
Agency Request					
Change from Original App	10.50	3,810,300	5,000	0	3,815,300
% Change from Original App	34.8%	20.4%	1.6%		20.0%
Governor's Recommendation					
Change from Original App	6.50	2,565,600	7,100	0	2,572,700
% Change from Original App	21.6%	13.7%	2.2%		13.5%

Division of Career Technical Education

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
State Leadership/Tech. Assist.	3,439,700	3,129,900	3,315,400	3,581,200	3,394,300
General Programs	25,013,700	20,667,800	20,871,700	23,576,900	22,009,200
Postsecondary Programs	46,511,900	46,511,900	46,312,600	49,500,100	47,503,900
Dedicated Programs	890,000	775,900	1,627,000	1,728,100	1,728,100
Related Services	4,818,200	3,714,200	3,836,500	3,838,400	3,839,600
Total:	80,673,500	74,799,700	75,963,200	82,224,700	78,475,100
BY FUND CATEGORY					
General	65,372,000	65,284,800	66,397,900	71,932,300	68,172,700
Dedicated	1,004,300	374,900	634,800	552,800	556,500
Federal	14,297,200	9,140,000	8,930,500	9,739,600	9,745,900
Total:	80,673,500	74,799,700	75,963,200	82,224,700	78,475,100
Percent Change:		(7.3%)	1.6%	8.2%	3.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	45,431,100	3,167,200	45,236,500	46,245,200	46,326,300
Operating Expenditures	5,141,400	1,106,800	5,180,500	5,622,300	5,291,800
Capital Outlay	1,038,600	30,400	583,500	801,500	649,500
Trustee/Benefit	29,062,400	70,495,300	24,962,700	29,555,700	26,207,500
Total:	80,673,500	74,799,700	75,963,200	82,224,700	78,475,100
Full-Time Positions (FTP)	582.96	582.96	580.26	585.26	582.26

Division Description

The Division of Career Technical Education consists of the following five programs:

1. The State Leadership and Technical Assistance Program includes central staff to provide leadership, administrative and technical assistance, oversight, and accountability to a statewide educational system that provides career and technical programs at the state's high schools and technical colleges. This system prepares Idaho's youth and adults for high-skill, in-demand careers including one-year, two-year, and industry certifications, as well as for further educational attainment.
2. General Programs receives moneys from the General Fund, dedicated funds, and federal funds to provide secondary students with career and technical programs. General Programs also provides individuals in the workforce with the skills necessary to maintain and/or advance in their chosen occupation.
3. Postsecondary Programs provides college students with opportunities to obtain the two-year degrees and shorter term certifications needed for employment in skilled and technical occupations that require less than a baccalaureate degree. The appropriation for this program is intended to fund 100% of the direct costs at Idaho's six technical colleges located within the College of Southern Idaho, College of Western Idaho, Idaho State University, Lewis-Clark State College, North Idaho College, and the College of Eastern Idaho. The appropriation also includes added costs funding, career technical high school funding, program quality incentive funding, and teacher preparation programs through the University of Idaho and Idaho State University.
4. Dedicated Programs include funding for the Centers for New Directions at the six technical colleges, which provide underprepared adults, including displaced homemakers and single parents, with the skills necessary to be successful in the workplace. This program also includes funding for the Workforce Training Centers at the six technical colleges. Both of these programs are codified in Section 33-1629, Idaho Code.
5. Related Services administers Adult Education (AE) and General Educational Development (GED).

Division of Career Technical Education

Agency Profile

Analyst: Jessup

Selected Measures	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	5-Year % Chg
1 Secondary Students Who Achieve Positive Placement or Transition¹							
Agriculture & Natural Resources	91.9%	93.2%	89.7%	90.6%	96.2%	96.7%	5.2%
Business Technology	95.1%	92.4%	92.4%	92.4%	96.9%	97.3%	2.4%
Health Professions	96.1%	96.8%	96.5%	96.5%	96.5%	98.3%	2.3%
Family and Consumer Sciences	92.3%	93.3%	92.2%	92.2%	94.9%	91.8%	-0.5%
Marketing Education ²	98.7%	99.3%	99.4%	99.4%	98.5%	-	-
Engineering & Technology Ed	96.4%	93.4%	95.1%	95.1%	92.0%	98.0%	1.7%
Skilled & Technical Sciences	93.7%	95.0%	95.0%	94.9%	96.4%	96.3%	2.8%
Individualized Occup. Training	86.0%	90.6%	90.7%	90.6%	93.0%	93.4%	8.6%
Annual Average	93.8%	93.9%	93.7%	93.2%	95.8%	96.8%	3.2%
2 Secondary Students Who Transition to Postsecondary Education or Training							
Agriculture & Natural Resources	55.9%	59.0%	52.0%	52.5%	54.4%	60.2%	7.7%
Business Technology	76.0%	73.0%	72.8%	72.8%	78.4%	77.1%	1.4%
Health Professions	73.6%	78.0%	76.2%	76.0%	75.5%	79.9%	8.6%
Family and Consumer Sciences	58.1%	66.0%	56.6%	56.6%	61.4%	64.4%	10.8%
Marketing Education ²	71.2%	79.0%	75.0%	75.0%	71.5%	-	-
Engineering & Technology Ed	77.3%	71.0%	77.1%	77.1%	73.0%	79.0%	2.2%
Skilled & Technical Sciences	41.8%	46.0%	45.5%	44.9%	58.8%	47.2%	12.9%
Individualized Occup. Training	54.7%	55.0%	53.2%	53.2%	53.8%	59.5%	8.8%
Annual Average	63.6%	64.2%	64.4%	63.3%	65.9%	69.1%	8.7%
3 Technical College Completers Who Achieve a Positive Placement or Transition							
College of Western Idaho	88.5%	92.4%	91.4%	92.2%	100.0%	96.6%	9.1%
Idaho State University	91.1%	92.3%	97.1%	96.9%	96.0%	96.6%	6.1%
Lewis-Clark State College	87.4%	96.8%	96.8%	89.3%	98.6%	92.3%	5.6%
College of Southern Idaho	91.7%	91.2%	94.5%	97.1%	92.9%	95.5%	4.2%
North Idaho College	90.3%	91.4%	97.2%	83.1%	93.4%	84.2%	-6.7%
College of Eastern Idaho	91.8%	93.8%	94.6%	95.4%	92.9%	90.7%	-1.2%
Annual Average	90.1%	92.4%	95.2%	93.7%	96.4%	94.6%	5.0%
4. Technical College: Number of Adult Education (AE) Clients Served (headcount)							
College of Western Idaho	1,927	1,680	1,867	1,840	2,090	2,133	10.7%
Idaho State University	472	452	383	432	323	388	-17.8%
Lewis-Clark State College	263	226	180	154	170	236	-10.3%
College of Southern Idaho	1,241	1,061	957	887	755	704	-43.3%
North Idaho College	420	408	354	331	373	415	-1.2%
College of Eastern Idaho	608	516	521	546	639	797	31.1%
Idaho Dept. of Correction	707	762	801	755	880	876	23.9%
Unduplicated Total³	6,329	5,633	5,086	5,053	5,224	5,549	-12.3%

1. Positive placement is defined as "obtained a job, entered the military, or continued education" and transition at the secondary level means enrolled in college-level coursework.
2. Programs discontinued and specialties absorbed into other programming.
3. The statewide total is an unduplicated number. The institution numbers are duplicated due to crossover in the regions, for example, those who start their program at Idaho Department of Correction in one region and end in one of the state technical colleges in a different region. Therefore, the institution numbers do not add up to the state total.

Division of Career Technical Education

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	580.26	66,397,900	75,963,200	580.26	66,397,900	75,963,200
Reappropriation	0.00	0	5,786,600	0.00	0	5,786,600
FY 2019 Total Appropriation	580.26	66,397,900	81,749,800	580.26	66,397,900	81,749,800
Noncognizable Funds and Transfers	(2.09)	0	0	(2.09)	0	0
Expenditure Adjustments	0.00	0	(287,500)	0.00	0	(287,500)
FY 2019 Estimated Expenditures	578.17	66,397,900	81,462,300	578.17	66,397,900	81,462,300
Removal of Onetime Expenditures	0.00	(831,500)	(6,412,600)	0.00	(831,500)	(6,412,600)
Base Adjustments	2.09	0	0	2.09	0	0
FY 2020 Base	580.26	65,566,400	75,049,700	580.26	65,566,400	75,049,700
Benefit Costs	0.00	142,700	145,500	0.00	(219,600)	(223,000)
Replacement Items	0.00	629,500	629,500	0.00	629,500	629,500
Statewide Cost Allocation	0.00	25,500	25,500	0.00	25,500	25,500
Change in Employee Compensation	0.00	376,400	382,700	0.00	1,091,100	1,109,900
FY 2020 Program Maintenance	580.26	66,740,500	76,232,900	580.26	67,092,900	76,591,600
1. Outcomes Based Funding	0.00	2,000,000	2,000,000	0.00	0	0
2. Teacher Preparation	0.00	515,000	515,000	0.00	0	0
3. InSpire to Educate	0.00	410,000	410,000	0.00	0	0
4. Data Analyst	1.00	95,100	95,100	0.00	0	0
5. Director for Student Engagement	1.00	123,800	123,800	0.00	0	0
6. Program Alignment	0.00	180,000	180,000	0.00	95,000	95,000
7. Middle School CTE	0.00	356,000	356,000	0.00	0	0
8. Workforce Readiness Incentive Grant	0.00	400,000	400,000	0.00	400,000	400,000
9. Program Quality Initiative	0.00	400,000	400,000	0.00	0	0
10. Online CTE Course Development	0.00	70,000	70,000	0.00	0	0
11. Nuclear Energy and Adv Reactor Adjust	3.00	641,900	641,900	2.00	320,000	320,000
12. Perkins Federal Grant	0.00	0	800,000	0.00	0	800,000
13. Offset of Projected Shortfall	0.00	0	0	0.00	264,800	264,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	3,700
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	585.26	71,932,300	82,224,700	582.26	68,172,700	78,475,100
Change from Original Appropriation	5.00	5,534,400	6,261,500	2.00	1,774,800	2,511,900
% Change from Original Appropriation		8.3%	8.2%		2.7%	3.3%

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	580.26	66,397,900	634,800	8,930,500	75,963,200
Reappropriation			State Leadership & Technical Assistance		
The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.					
Agency Request	0.00	0	629,400	5,157,200	5,786,600
Governor's Recommendation	0.00	0	629,400	5,157,200	5,786,600
FY 2019 Total Appropriation					
Agency Request	580.26	66,397,900	1,264,200	14,087,700	81,749,800
Governor's Recommendation	580.26	66,397,900	1,264,200	14,087,700	81,749,800
Noncognizable Funds and Transfers			Postsecondary Programs		
Within the Postsecondary Programs, the agency requests an adjustment that includes removing 2.09 FTP and transferring \$341,000 from personnel costs to operating expenditures for better alignment with estimated expenditures.					
Agency Request	(2.09)	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	(2.09)	0	0	0	0
Expenditure Adjustments					
The agency requests a reduction of \$287,500 to permanently remove appropriation from the FY 2019 budget. In FY 2018, programs and associated appropriation for dedicated funds were transferred to the Division of Human Resources for the Certified Public Manager Program.					
Agency Request	0.00	0	(287,500)	0	(287,500)
Governor's Recommendation	0.00	0	(287,500)	0	(287,500)
FY 2019 Estimated Expenditures					
Agency Request	578.17	66,397,900	976,700	14,087,700	81,462,300
Governor's Recommendation	578.17	66,397,900	976,700	14,087,700	81,462,300
Removal of Onetime Expenditures					
The agency requests removal of onetime funding appropriated, and reappropriated, in FY 2019.					
Agency Request	0.00	(831,500)	(423,900)	(5,157,200)	(6,412,600)
Governor's Recommendation	0.00	(831,500)	(423,900)	(5,157,200)	(6,412,600)
Base Adjustments					
The agency requests to reverse the expenditure object code transfer of \$341,000 from personnel costs to operating expenditures that net to zero, and request an increase of 2.09 FTP.					
Agency Request	2.09	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	2.09	0	0	0	0
FY 2020 Base					
Agency Request	580.26	65,566,400	552,800	8,930,500	75,049,700
Governor's Recommendation	580.26	65,566,400	552,800	8,930,500	75,049,700

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	142,700	0	2,800	145,500
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(219,600)	0	(3,400)	(223,000)
Replacement Items					
State Leadership and Technical Assistance: Requests \$34,900 in onetime capital outlay from the General Fund to replace computer equipment, including three desktop computers (\$4,500), 20 monitors (\$5,600), seven 2-in-1 laptop computers (\$10,500), and three servers (\$14,300). The agency uses a four-year replacement cycle to replace computers and this request is made in accordance with this schedule.					
Post-Secondary: Requests onetime capital outlay from the General Fund to replace equipment at the six postsecondary technical colleges in the amount of \$594,600.					
Agency Request	0.00	629,500	0	0	629,500
Governor's Recommendation	0.00	629,500	0	0	629,500
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management fees will increase by \$1,300, State Controller fees will increase by \$900, State Treasurer fees will increase by \$100, and Attorney General fees will increase by \$1,500, for a net increase of \$3,800.					
This request also includes \$21,700 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 21.0%.					
Agency Request	0.00	25,500	0	0	25,500
Governor's Recommendation	0.00	25,500	0	0	25,500
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	376,400	0	6,300	382,700
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	1,091,100	0	18,800	1,109,900
FY 2020 Program Maintenance					
Agency Request	580.26	66,740,500	552,800	8,939,600	76,232,900
Governor's Recommendation	580.26	67,092,900	552,800	8,945,900	76,591,600

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Outcomes Based Funding		Postsecondary Programs			
In August of 2018, the Idaho State Board of Education formally endorsed an outcome based funding model to replace the previously utilized enrollment workload adjustment equity funding model (EWA). Requested funding would be distributed based on a rubric of metrics that emphasize timely completion. This new distribution method also replaces the traditional line item for postsecondary expansion for Idaho's six technical colleges (located at College of Southern Idaho, College of Western Idaho, College of Eastern Idaho, North Idaho College, Lewis-Clark State College, and Idaho State University).					
The Idaho State Board of Education requests \$2,000,000 ongoing in trustee and benefit payments to be used for outcome based funding for the six technical colleges. Appropriations to the individual technical colleges would be determined by three factors including timely completion, a high-impact multiplier tied to high-demand skill sets, and at-risk student populations (i.e. under-represented, first generation, adult students). Based on outcomes, the Division of Career Technical Education would distribute funds to the technical colleges to support continued completions.					
ANALYST COMMENT: Consistent with the outcome based funding requests in Community Colleges, and College and Universities, each institution is required to stand the potential for incurred risk, or "skin in the game." The Division of Career Technical Education will deduct 1.1% of the base budget from each technical college to the pool of funding to be redistributed according to the outcome based funding model. This percentage will increase to approximately 5% by the end of the three year phase in period. This reduction is entirely within the Postsecondary Program of the Division of Career Technical Education and requires no action by the Legislature.					
Agency Request	0.00	2,000,000	0	0	2,000,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
2. Teacher Preparation		General Programs			
The agency requests \$515,000, in ongoing trustee and benefit payments, from the General Fund, to support the continued education of Career Technical Education (CTE) teachers as part of traditional teacher preparation programs to help address the ongoing critical CTE teacher shortage in Idaho. The primary pipeline for CTE instructors has always been teachers who complete a four-year degree program but have also taken appropriate credits to provide instruction in CTE designated disciplines like agriculture, business, marketing, technology, and family consumer sciences. At present, the number of student teachers are not sufficient to support current or expanding CTE programs statewide. Requested funds would be used to expand recruitment efforts at the high school level and formalize CTE teacher preparation programs at Idaho State University and the University of Idaho.					
Agency Request	0.00	515,000	0	0	515,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
3. InSpire to Educate		General Programs			
The agency requests \$410,000, in ongoing trustee and benefit payments, from the General Fund, to support alternative certification opportunities for new Career Technical Education (CTE) teachers who have been recruited from industry. There is a shortage of CTE teachers in Idaho schools, which creates an impediment to expanding CTE programming. CTE instructors from industry have subject matter expertise, but lack pedagogy either at the secondary or post-secondary level. In 2017, the agency introduced programming to provide academic opportunities for 102 CTE teachers through the University of Idaho where CTE teachers from the private sector gain their occupational teacher certification without additional out-of-pocket expense for the teacher. Historically, the funding for this program has come from the agency's discretionary funds. With the program's success and changes to how the agency treats carryover and encumbrances, the agency requests supprt from the General Fund moving forward.					
Agency Request	0.00	410,000	0	0	410,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Data Analyst	State Leadership & Technical Assistance				
The agency requests 1.00 FTP and \$95,100, from the General Fund, for a full-time senior research analyst. Of this request, \$71,600 is ongoing for personnel costs, \$10,000 is ongoing for operating expenditures (travel, professional development), and \$13,500 is onetime for capital outlay (repurpose existing office space and furniture). At present, Career Technical Education (CTE) has implemented new systems including SkillStack®, CTEMS (Career Technical Education Management Systems), program quality initiatives, and the Workforce Incentive Grant. Additionally, the agency desires to increase connectivity with the State Board of Education's Longitudinal Data System and the State Department of Education's ISEE system (Idaho System for Education Excellence). The new analyst would be responsible for streamlining data collection procedures, ensure the accuracy and comparability of data, and improve data analysis to support program improvement efforts.					
Agency Request	1.00	95,100	0	0	95,100
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. Director for Student Engagement	State Leadership & Technical Assistance				
The agency requests 1.00 FTP and \$123,800, from the General Fund, for a director for student engagement. Of this request, \$100,300 is ongoing for personnel costs, \$10,000 is ongoing for operating expenditures (travel, professional development), and \$13,500 is onetime for capital outlay (repurpose existing office space and furniture). At present, multiple staff members indirectly perform student engagement tasks such as communicating with school counselors, transition coordinators, and college advisors, in addition to other assignments. The agency believes that consolidating functions into one staff member and freeing existing staff to focus on their other assignments would strengthen outreach, accountability, oversight, and communication with school districts.					
Agency Request	1.00	123,800	0	0	123,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. Program Alignment	General Programs				
The agency requests \$180,000, in ongoing operating expenditures, from the General Fund, to support the alignment of 15 programs in secondary and postsecondary courses. Through the agency's alignment initiative, standards and assessments are reviewed and developed to keep pace with new industry standards and work place demands. Additionally, postsecondary instructors train secondary teachers on program deficiencies to maintain consistent instruction throughout the state and improve student success. Amendments to Section 33-2205(3) and (4), Idaho Code, in 2015 included intent language that Career Technical Education (CTE) would work to incentivize public colleges and universities to align foundational courses to achieve uniformity and transferability. Program and course alignment enables students to transition directly from secondary to post secondary programs. In FY 2019, CTE was appropriated \$178,000 onetime from the General Fund for this purpose and was appropriated \$196,000 onetime funds in FY 2018. As the agency's alignment initiative is ongoing, the agency requests ongoing funds.					
Agency Request	0.00	180,000	0	0	180,000
<i>The Governor recommends \$95,000, in ongoing operating expenditures, from the General Fund, to support the alignment of approximately eight programs in secondary and postsecondary courses.</i>					
Governor's Recommendation	0.00	95,000	0	0	95,000

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
7. Middle School CTE					General Programs
The agency requests \$356,000, onetime, from the General Fund, to develop statewide standards and assessments for Career Technical Education (CTE) programming in middle schools. Of this request, \$68,000 is for operating expenditures and \$288,000 is for trustee and benefit payments. Funds would be used to identify pilot schools, develop standards, create assessments, develop curriculum, and the training for newly CTE endorsed teachers across the state. Funding would support the creation of 12-18 computer labs, dependent on classroom size, at middle schools to be used in career exploration coursework. Curriculum would be targeted at students in the seventh and eighth grade, and would include career exploration and introductory CTE courses. This initiative was endorsed by the Governor's Workforce Development Taskforce to create a career exploration program in middle school to help assure students and their families understood all of the options available to them in high school and beyond.					
Agency Request	0.00	356,000	0	0	356,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
8. Workforce Readiness Incentive Grant					General Programs
The agency requests \$400,000, ongoing in trustee and benefit payments, from the General Fund, to award incentive funds for secondary CTE teachers. Teachers would be rewarded based on the number of high school students (concentrators) who demonstrate workforce readiness based on completion of a credential or readiness for credentials. This concept was endorsed by the Governor's Workforce Development Taskforce, and would aim to increase the number of students who graduate high school well positioned for work credentials or postsecondary CTE credits.					
Agency Request	0.00	400,000	0	0	400,000
Governor's Recommendation	0.00	400,000	0	0	400,000
9. Program Quality Initiative					General Programs
In FY 2015, legislation was passed that created an incentive based program for agriculture and natural resource programs at high schools. Secondary Career Technical Education (CTE) programs were eligible to apply for grant moneys to start-up and maintain their programs. In FY 2018, the Legislature appropriated \$300,000 to expand this incentive-based funding program to other CTE pathways (including business management and marketing, engineering and technology, family and consumer sciences, health professions, and skilled and technical sciences). In FY 2019, the legislature appropriated an additional \$300,000 to expand available grant funding for CTE pathways other than agriculture.					
The agency requests \$400,000, ongoing in trustee and benefit payments, from the General Fund, to expand current grant funding for high school CTE programs. The current request would increase the total available funds to pathways, not including agriculture, to \$1,000,000. Applications from high schools in FY 2018 totaled \$875,000, and \$1.15 million in FY 2019. The agency is confident that this amount will continue to increase in FY 2020.					
Agency Request	0.00	400,000	0	0	400,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
10. Online CTE Course Development					General Programs
The agency requests \$70,000, onetime in operating expenditures, from the General Fund, to develop four online CTE courses through Idaho Digital Learning Academy, which serves over 2,000 students and over 100 school districts across the state. The development of one new CTE course for online students costs approximately \$17,500. Requested funds would support the creation of four additional courses. Online CTE courses enable students to pursue interests in high demand, and high paying, careers independent of their location in the state or local access to CTE programming.					
Agency Request	0.00	70,000	0	0	70,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
11. Nuclear Energy and Adv Reactor Adjust					
Postsecondary Programs					
The agency requests 3.00 FTP and \$641,900, from the General Fund, to support workforce needs in Idaho's nuclear industry. Of this request, \$308,600 is ongoing for personnel costs, \$96,600 is ongoing for operating expenditures, \$91,700 is onetime for operating expenditures, and \$145,000 is onetime for capital outlay. In response to Executive Order 2018-07, Idaho State University (ISU) and the College of Eastern Idaho (CEI) have collaborated with industry partners to determine industry needs. Among those needs recognized is the need for quality assurance training required by professional associations for all employees, incumbent workers, and students interested in the nuclear field. ISU, CEI, and industry partners will also seek moneys from the Workforce Development Council to support training offerings and expand course capacity to accommodate more students at the Energy Systems Technology and Education Center (ESTEC) at ISU. Moneys would be used by Idaho State University for 1.00 FTP (\$102,900), nuclear stations (\$160,000), and nuclear software (\$80,000). Moneys would be used by the College of Eastern Idaho for 2.00 FTP (\$205,700), facility lease payments (\$84,000), and facility networking costs (\$20,000).					
Agency Request	3.00	641,900	0	0	641,900
The Governor recommends 2.00 FTP and \$320,000, from the General Fund, to develop a nuclear quality assurance training and expand existing programming to accommodate additional students. Of this request, \$202,900 is ongoing for personnel costs, \$97,100 is ongoing for operating expenditures, and \$20,000 is onetime for capital outlay. The Governor recommends industry support be sought for additional program requirements.					
Governor's Recommendation	2.00	320,000	0	0	320,000
12. Perkins Federal Grant					
General Programs					
The agency requests \$800,000 ongoing from the Federal Grant Fund to capture available federal grant funding to enhance secondary and post-secondary career technical education programming. Of this request, \$220,000 is ongoing for operating expenditures and \$580,000 is ongoing for trustee and benefit payments. The agency currently received Perkins federal grant funds, which are expected to increase by 10.5% over the next five years.					
Agency Request	0.00	0	0	800,000	800,000
Governor's Recommendation	0.00	0	0	800,000	800,000
13. Offset of Projected Shortfall					
General Programs					
Agency Request	0.00	0	0	0	0
The Governor recommends \$264,800 ongoing from the General Fund to offset projected shortfall in FY 2020. In previous years, the agency has relied on reappropriation authority to absorb cost increases from added cost funding but is no longer an available. Recommended funding would address program expenses.					
Governor's Recommendation	0.00	264,800	0	0	264,800
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	3,700	0	3,700
Budget Law Exemptions					
Postsecondary Programs					
The Division of Career Technical Education, Postsecondary Programs requests an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation between personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	585.26	71,932,300	552,800	9,739,600	82,224,700
Governor's Recommendation	582.26	68,172,700	556,500	9,745,900	78,475,100

Division of Career Technical Education

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	5.00	5,534,400	(82,000)	809,100	6,261,500
% Change from Original App	0.9%	8.3%	(12.9%)	9.1%	8.2%
Governor's Recommendation					
Change from Original App	2.00	1,774,800	(78,300)	815,400	2,511,900
% Change from Original App	0.3%	2.7%	(12.3%)	9.1%	3.3%

Idaho Public Television

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	3,327,200	3,327,000	2,585,300	3,589,900	2,632,400
Dedicated	6,305,900	5,400,400	6,522,900	6,166,900	6,883,700
Federal	0	137,700	340,400	49,400	49,400
Total:	9,633,100	8,865,100	9,448,600	9,806,200	9,565,500
Percent Change:		(8.0%)	6.6%	3.8%	1.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	4,720,100	4,551,400	4,973,400	5,151,000	5,110,800
Operating Expenditures	3,510,500	3,002,500	3,550,900	3,614,300	3,615,700
Capital Outlay	1,402,500	1,311,200	924,300	1,040,900	839,000
Total:	9,633,100	8,865,100	9,448,600	9,806,200	9,565,500
Full-Time Positions (FTP)	65.48	65.48	68.48	70.48	69.48

Division Description

Idaho Public Television (IdahoPTV) operates under the State Board of Education and is an integral part of its strategic plan. IdahoPTV has two functional areas: (1) a statewide delivery system; and (2) content creation and acquisition. The General Fund supports the maintenance and administration of the statewide delivery system, which delivers educational, governmental, informational, and cultural content via a statewide infrastructure that reaches nearly 100% of Idaho households. Similar content is available online via internet-attached devices. Additionally, IdahoPTV receives support from membership donations, which provide for the production of local programs such as Dialogue, Idaho Reports, Outdoor Idaho, Science Trek, and Idaho in Session, as well as acquisition of PBS and other programming.

Per national industry peer comparison reports, Idaho Public Television is a highly efficient entity in private fundraising, market penetration, operational efficiencies, and a leader in the limited use of state funding.

Under the supervision of the State Board of Education, IdahoPTV provides:

1. Coordination, promotion, and distribution of educational and instructional television programs and services for all Idaho citizens at school, work, and home;
2. Production, acquisition, and broadcasting of programming services responsive to the interests of Idaho citizens;
3. Real-time coverage of the Idaho Legislature, Idaho Supreme Court hearings, and other media activities. Basic operational support includes production management, engineering maintenance, and website management;
4. Information technology support as well as facilities and engineering support for communications programs at the University of Idaho and Idaho State University; and
5. Partnerships with the Bureau of Homeland Security and the Idaho Technology Authority for the digital delivery systems across the state, and the maintenance of the statewide broadcast delivery system.

Idaho Public Television

Agency Profile

Analyst: Randolph

Selected Performance Measures

	FY 2015	FY 2016	FY 2017	FY 2018
1. Channel hours for:				
Children (under the age of 12)	14,233	14,636	14,252	18,864
Ethnic minorities	5,797	5,981	5,319	5,573
Learners	14,141	13,852	14,047	16,231
Public affairs	13,450	12,702	12,219	12,475
Idaho-specific programming	1,955	2,050	1,568	1,509
2. Total number of visitors to idahoptv.org	1,670,923	1,901,477	1,981,837	1,584,947
3. Number of awards for IdahoPTV media & services	55	55	49	56
4. Idaho population with IdahoPTV digital TV coverage	98.4%	98.4%	99.47%	98.80%

Fund Source and Description

1. General Fund (0001)

The General Fund consists of revenue from individual income tax, corporate income tax, sales tax, and miscellaneous sources. This fund is primarily used for the maintenance and administration of the statewide delivery system, which allows for the distribution of broadcast and media content.

2. Miscellaneous Revenue (0349)

Primary sources of funding include private donations and grants, corporate and nonprofit entities, and an annual grant from the Corporation for Public Broadcasting (CPB). These funds are via Friends of Idaho Public Television, Inc. (Friends), a nonprofit corporation. Funds are transferred from Friends to the State Treasurer. This fund is largely used for the content side of the operation, which includes the acquisition of programs and the local production of shows that are then available to Idahoans through the statewide delivery system, internet, and other media. Idaho Public Television provides educational, informational, and cultural programs as well as media content. The CPB funds are restricted by federal law for use by the grantee for educational broadcasting and specified broadcast-related purposes only.

3. Federal Grant (0348)

The primary source of federal funding is from the Federal Communications Commission for the completion of moving broadcast signals following the broadcast spectrum repacking, which impacted northern Idaho transmitter KCDT and seven translators, and will potentially impact up to 18 additional translators across the state. These funds are onetime.

4. Technology Infrastructure Stabilization Fund (0128)

Subject to appropriation by the legislature, moneys in this fund shall be used for technology projects including, but not limited to, software development and computer hardware or equipment (Section 67-3532, Idaho Code). For FY 2019, IdahoPTV was appropriated \$400,000 for year two of three for a microwave ethernet system from the \$22,000,000 transferred to this fund from the General Fund.

Annual Budget by Fund: Dollar Amount and Percent of Total

FUND	FY 2017 Actual Exp.		FY 2018 Actual Exp.		FY 2019 Orig. Approp.		FY 2020 Request	
	Dollar Amount	Percent of Total	Dollar Amount	Percent of Total	Dollar Amount	Percent of Total	Dollar Amount	Percent of Total
0001	\$ 3,022,100	35.7%	\$ 3,327,000	37.5%	\$ 2,585,300	27.4%	\$ 3,589,900	36.6%
0349	\$ 5,441,400	64.3%	\$ 5,400,400	60.9%	\$ 6,122,900	64.8%	\$ 6,166,900	62.9%
0348	-	-	\$ 137,700	1.6%	\$ 340,400	3.6%	\$ 49,400	0.5%
0128	-	-	-	-	\$ 400,000	4.2%	-	-
TOTAL	\$ 8,463,500	100.0%	\$ 8,865,100	100.0%	\$ 9,448,600	100.0%	\$ 9,806,200	100.0%

Percentages may not add due to rounding.

Idaho Public Television

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	68.48	2,585,300	9,448,600	68.48	2,585,300	9,448,600
Removal of Onetime Expenditures	0.00	(103,000)	(998,400)	0.00	(103,000)	(998,400)
FY 2020 Base	68.48	2,482,300	8,450,200	68.48	2,482,300	8,450,200
Benefit Costs	0.00	5,500	17,000	0.00	(5,400)	(31,500)
Inflationary Adjustments	0.00	48,700	48,700	0.00	48,700	48,700
Replacement Items	0.00	877,900	1,032,900	0.00	0	839,000
Statewide Cost Allocation	0.00	14,400	17,300	0.00	14,400	17,300
Change in Employee Compensation	0.00	12,500	42,100	0.00	92,400	120,100
FY 2020 Program Maintenance	68.48	3,441,300	9,608,200	68.48	2,632,400	9,443,800
1. Education Outreach	1.00	76,700	76,700	0.00	0	0
2. Digital Media Technician	1.00	71,900	71,900	0.00	0	0
3. Federal Video Production Grant	0.00	0	49,400	0.00	0	49,400
4. Kindergarten Readiness Grant	0.00	0	0	1.00	0	66,900
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	5,400
FY 2020 Total	70.48	3,589,900	9,806,200	69.48	2,632,400	9,565,500
Change from Original Appropriation	2.00	1,004,600	357,600	1.00	47,100	116,900
% Change from Original Appropriation		38.9%	3.8%		1.8%	1.2%

Idaho Public Television

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	68.48	2,585,300	6,522,900	340,400	9,448,600

Removal of Onetime Expenditures

Removes onetime replacement items and federal funds received for the broadband repackaging effort.

Agency Request	0.00	(103,000)	(555,000)	(340,400)	(998,400)
Governor's Recommendation	0.00	(103,000)	(555,000)	(340,400)	(998,400)

FY 2020 Base					
Agency Request	68.48	2,482,300	5,967,900	0	8,450,200
Governor's Recommendation	68.48	2,482,300	5,967,900	0	8,450,200

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	5,500	11,500	0	17,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(5,400)	(26,100)	0	(31,500)
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Inflationary Adjustments

Includes rent inflation at the primary Boise headquarters. Rent is increasing by 12.2%, for a total rent cost of \$447,700 in FY 2020.

Agency Request	0.00	48,700	0	0	48,700
Governor's Recommendation	0.00	48,700	0	0	48,700

Idaho Public Television

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
IdahoPTV requests \$877,900 from the General Fund, and \$155,000 from the Miscellaneous Revenue Fund for a total request of \$1,032,900 for capital outlay to replace the following items, in order of priority:					
\$140,000 General Fund - 20 IP Gateway devices; Path 1 - MV. These devices are placed at various points around the microwave system to convert programming data into the format ready for broadcast (ASI) and allow the agency to bring decoded ASI data back to the Boise studio for monitoring and quality assurance.					
\$50,000 General Fund - dual apex exciters with ATE at KUID. These two exciters would replace ones bought in 2002 which are no longer supported and only one of which is functional. Without this replacement item, the agency asserts it is more likely to go off the air in the Palouse area.					
\$400,000 General Fund - ethernet microwave system - 3 of 3. This is the third of three annual requests to replace the current ethernet backbone microwave system which IdahoPTV shares with the Bureau of Homeland Security. The total cost to replace the current ethernet backbone microwave is \$1,200,000. This purchase will reduce IdahoPTV data haul charges that could be incurred if it does not replace the current microwave radios it shares with the state.					
\$34,000 General Fund - Nielsen encoder system. These devices would replace no longer supported devices, which collect rating data for broadcasts. The new ratings system data gathering requires new encoders. The agency asserts without this system, it will be unable to collect viewer numbers or know if they are hitting target audiences correctly.					
\$51,000 General Fund - vehicle replacement. Replaces a Ford heavy-duty truck used by field engineering teams primarily in eastern Idaho. The total cost of the truck also includes a bumper/winch for \$2,500. Current odometer is 122,000.					
\$38,400 General Fund - vehicle replacement. Replaces a Ford mid-size SUV in Boise for general use that includes people and equipment, as well as travel on both highway and gravel roads. Current odometer is 103,000					
\$55,000 General Fund - hardware for cat6e/fiber wiring. The request is for five transceiver units for ten of the production offices and edit stations. These units would allow direct connection to the high-speed content data library for editing and content storage. Currently, there is one location capable of this procedure, which limits content access.					
\$60,000 General Fund - LTO library additional frame. This additional LTO (magnetic tape data storage) frame allows for online access at the existing disaster recovery (DR) site library, which is a continuation of the archive replacement. As the media at the DR site library continues to grow at a substantial rate, the need to have online access to the data also grows. Without this item, trips to Meridian to exchange LTP cartridges must occur in order to access the data, which is not an efficient use of agency resources.					
\$25,000 General Fund - Zeus III by RTS. This would replace the in-house intercom system at the KAID station, which is at full capacity and is no longer supported.					
\$13,000 General Fund - convertible 2-in-1 laptops. This would replace tablets purchased in 2014 that are primarily used by volunteers to collect pledges. The agency asserts this replacement will reduce manual labor costs or corrections and erroneous data collection.					
\$5,000 General Fund - computer server. Replaces a server purchased in 2012 which is used as a development server.					
\$3,500 General Fund - computer workstation. This would replace a re-purposed computer purchased in 2011 with a dedicated editing workstation for operations and on-air technicians.					
\$3,000 General Fund - utility shell and winch for the KAID station. A replacement field truck was funded for FY 2019, but due to the actual costs the required shell and winching equipment was unable to be purchased.					

Idaho Public Television

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
\$55,000 Miscellaneous Revenue Fund - video camera packages with lenses. Replaces cameras and technology that are ten years old to ensure the continued ability of IdahoPTV to produce quality local productions.					
\$100,000 Miscellaneous Revenue Fund - edit system computers. This edit system works in concert with the video camera package request above and is needed to maintain high quality local productions.					
Analyst Note: This request differs from the original agency request by \$8,000 from the General Fund as a technical correction was discovered and changed by the analyst for this publication. The agency included the additional capital outlay money requested for line items in replacement items.					
Agency Request	0.00	877,900	155,000	0	1,032,900
<i>The Governor does not recommend the replacement of two vehicles, Cat6e wiring, in-house intercom, or a computer workstation and server, for a difference of \$172,600. The Governor recommends using the Technology Infrastructure Stabilization Fund for \$684,000 of the replacement items, and the Miscellaneous Revenue Fund for \$155,000 in replacement items.</i>					
Governor's Recommendation	0.00	0	839,000	0	839,000

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$8,400, risk management costs will increase by \$2,700, State Controller fees will increase by \$1,600, and State Treasurer fees will increase by \$100, for a net increase of \$12,800. Of the amount requested, \$9,900 is from the General Fund and \$2,900 is from dedicated funds.

This request also includes \$4,500 from the General Fund for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.

Agency Request	0.00	14,400	2,900	0	17,300
Governor's Recommendation	0.00	14,400	2,900	0	17,300

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	12,500	29,600	0	42,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor also recommends part of the change in employee compensation be paid out of the General Fund, rather than the Miscellaneous Revenue Fund, for this agency. This fund shift from dedicated funds to the General Fund is \$55,000, or 66.5% of the recommended \$82,700 change in employee compensation from dedicated funds.

Governor's Recommendation	0.00	92,400	27,700	0	120,100
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FY 2020 Program Maintenance					
Agency Request	68.48	3,441,300	6,166,900	0	9,608,200
Governor's Recommendation	68.48	2,632,400	6,811,400	0	9,443,800

Idaho Public Television

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Education Outreach					
The agency requests 1.00 FTP and a total of \$76,700 from the General Fund for a education outreach specialist to enhance use and knowledge of educational resources offered by the agency. Of this request, \$71,700 is ongoing personnel costs, \$2,000 is ongoing operating expenditures, and \$3,000 is onetime capital outlay. This position would work in conjunction with two existing education specialists to enhance knowledge through presentations to teachers, parents, and caregivers. This position will coordinate efforts to travel the state to inform communities about free services offered by Idaho Public Television. Through increased knowledge about these educational services, IdahoPTV hopes to increase the use of these resources and the effectiveness of the learning process, thus improving standardized test scores in literacy and STEM subjects. This position would produce educational components for local programs as well as educational video segments, lesson plans based on state standards, teacher guides and websites, and other digital learning materials. This position would continue to work closely with the Idaho State Department of Education, Office of the State Board of Education, Idaho Commission for Libraries, the STEM Action Center, and other local educational organizations.					
Agency Request	1.00	76,700	0	0	76,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. Digital Media Technician					
The agency requests 1.00 FTP and \$71,900 from the General Fund to support a new technical position to assist with the growing demands of streaming and online viewing of Idaho Public Television programming. Of the amount requested, \$64,900 is for ongoing personnel costs, \$2,000 is for ongoing operating expenditures, and \$5,000 is for onetime capital outlay. This position has not been requested or funded previously. Currently, the duties of this position are performed by a combination of staff from IT, engineering, operation, director of content services, and the general manager; the activity has grown to the point where one dedicated staff is needed to keep up with demand. This position will allow the agency to reach those citizens who consume content on digital streaming platforms such as Apple TV, mobile apps, YouTube, etc.					
Agency Request	1.00	71,900	0	0	71,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Federal Video Production Grant					
The agency requests \$49,400 onetime from the Federal Grant Fund to support the third year of the Office of Special Education and Rehabilitative Services (OSERS) grant. Of this request, \$12,500 is onetime for personnel costs and \$36,900 is onetime for operating expenditures. The total grant is for \$248,200 and spans FY 2017 - FY 2022. While this grant has no ongoing support in the FY 2020 Base, in FY 2019 the Governor recommended, and the Legislature appropriated, a total of \$74,100 for this grant. This is a subgrant from the University of Oregon for video production and dissemination services to highlight the work of the National Comprehensive Center on Improving Literacy for Students with Disabilities, of which \$12,500 is for personnel costs and \$36,900 is for operating expenditures.					
Agency Request	0.00	0	0	49,400	49,400
Governor's Recommendation	0.00	0	0	49,400	49,400
4. Kindergarten Readiness Grant					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends 1.00 FTP and \$66,900 in personnel costs from the Miscellaneous Revenue Fund for a limited service education specialist position to provide community resources to prepare children ages 3-5 years for kindergarten through a Public Broadcasting Service grant.</i>					
Governor's Recommendation	1.00	0	66,900	0	66,900
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	5,400	0	5,400

Idaho Public Television

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	70.48	3,589,900	6,166,900	49,400	9,806,200
<i>Governor's Recommendation</i>	<i>69.48</i>	<i>2,632,400</i>	<i>6,883,700</i>	<i>49,400</i>	<i>9,565,500</i>
Agency Request					
Change from Original App	2.00	1,004,600	(356,000)	(291,000)	357,600
% Change from Original App	2.9%	38.9%	(5.5%)	(85.5%)	3.8%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>1.00</i>	<i>47,100</i>	<i>360,800</i>	<i>(291,000)</i>	<i>116,900</i>
<i>% Change from Original App</i>	<i>1.5%</i>	<i>1.8%</i>	<i>5.5%</i>	<i>(85.5%)</i>	<i>1.2%</i>

Special Programs

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Forest Utilization Research	1,347,100	1,347,100	1,281,100	1,555,900	1,427,100
Geological Survey	1,080,400	1,080,400	1,085,100	1,251,300	1,115,800
Scholarships and Grants	15,854,100	13,396,300	19,354,900	23,155,300	27,756,200
Museum of Natural History	625,400	625,400	616,200	664,100	651,300
Small Bus. Development Centers	613,100	610,900	673,000	743,900	681,700
TechHelp	166,500	164,100	356,500	428,200	364,900
Total:	19,686,600	17,224,200	23,366,800	27,798,700	31,997,000
BY FUND CATEGORY					
General	15,562,200	15,557,400	19,242,200	22,274,100	26,472,100
Dedicated	1,000,000	62,800	1,000,000	1,000,000	1,000,000
Federal	3,124,400	1,604,000	3,124,600	4,524,600	4,524,900
Total:	19,686,600	17,224,200	23,366,800	27,798,700	31,997,000
Percent Change:		(12.5%)	35.7%	19.0%	36.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,599,700	3,004,900	3,862,300	4,364,700	4,029,300
Operating Expenditures	218,100	753,000	232,900	298,200	264,900
Capital Outlay	100,900	149,800	3,700	67,900	34,900
Trustee/Benefit	15,767,900	13,316,500	19,267,900	23,067,900	27,667,900
Total:	19,686,600	17,224,200	23,366,800	27,798,700	31,997,000
Full-Time Positions (FTP)	43.13	43.13	45.59	49.03	46.59

Division Description

Organized under the State Board of Education, Special Programs includes the following:

The Forest Utilization Research (FUR) program, located at the University of Idaho, conducts research and analyzes policy to increase the productivity of Idaho's forests and rangelands.

The Idaho Geological Survey (IGS) collects, analyzes, and disseminates geologic and mineral-based asset data for the state of Idaho. IGS is headquartered at the University of Idaho in Moscow, ID, with an office in Boise and a field office at Boise State University.

The Scholarships and Grants program, administered by the Office of the State Board of Education, manages five scholarship and grant programs available to students attending Idaho's postsecondary educational institutions.

The Idaho Museum of Natural History (IMNH), located at Idaho State University, preserves, expands, and disseminates information about the natural history of Idaho and the Intermountain West.

The Idaho Small Business Development Centers (SBDC) provide counseling, training, research, and technical support services to small businesses and entrepreneurs. The center is headquartered at Boise State University, with field offices at colleges and universities around the state.

TechHelp (TH) provides manufacturing consulting services to small and medium sized companies. TechHelp is a partnership of Idaho's three state universities and is an affiliate of the National Institute of Standards and Technology Manufacturing Extension Partnership. It is also Idaho's Economic Development Administration University Center, targeting economically distressed areas of Idaho.

Special Programs

Agency Profile

Analyst: Jessup

Budget by Scholarship Program

PROGRAM	Allocation FY 2016 Original Approp.	Allocation FY 2017 Original Approp.	Allocation FY 2018 Original Approp.	Allocation FY 2019 Original Approp.	FY 2020 Request
General Fund					
Idaho Robert R. Lee Promise Scholarship - Category A	72,000	15,000	3,000	-	-
Idaho Robert R. Lee Promise Scholarship - Category B	-	-	-	-	-
Atwell Parry Work Study Program	1,186,000	1,186,000	1,186,000	1,186,000	1,186,000
Teachers/Nurses Loan Forgiveness Program	80,000	40,000	-	-	-
Armed Forces and Public Safety Officer (fee waiver)	179,052	280,000	180,000	200,000	200,000
Opportunity Scholarship	5,146,248	10,142,300	10,294,300	13,777,300	13,777,300
College Bridge Grant	-	-	-	-	2,400,000
STATE TOTAL	\$6,663,300	\$11,663,300	\$11,663,300	\$15,163,300	\$17,563,300
Miscellaneous Funds					
Postsecondary Credit Scholarships	-	1,000,000	1,000,000	1,000,000	1,000,000
MISCELLANEOUS TOTAL	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Federal Funds					
Unallocated Federal Appropriation	-	-	-	-	0
GEAR UP/GEAR UP 2 Appropriation	2,064,600	1,704,600	3,104,600	3,104,600	4,504,600
FEDERAL TOTAL	\$2,064,600	\$1,704,600	\$3,104,600	\$3,104,600	\$4,504,600
GRAND TOTAL	\$8,727,900	\$14,367,900	\$15,767,900	\$19,267,900	\$23,067,900

S1027 of 2013 repealed and consolidated two scholarship programs into the Opportunity Scholarship Program. The repealed programs are the Robert R. Lee Promise Scholarship - Categories A and B, and the Minority/At Risk Scholarship. Also, the Grow Your Own scholarship program for teachers was curtailed. The \$4,231,500 from those programs was consolidated into the Opportunity Scholarship Program. The programs and scholarships within Special Programs are as follows:

Opportunity Scholarship: A need-based scholarship designed on a shared responsibility model with state dollars being the last dollars. This means that a student must apply for federal aid and have a self or family contribution element before they are eligible. The award amount is up to \$3,000 per year, renewable up to four years. Students must be Idaho high school graduates attending an eligible Idaho postsecondary institution full-time (quarter-time at community colleges), must maintain a 3.0 GPA, and must submit the Free Application for Federal Student Aid (FAFSA) every year [Section 33-4303, Idaho Code]. In FY 2019, the Legislature provided that twenty percent of the funds available for the scholarship may be used for awards to adult students who have earned at least twenty four credits towards a postsecondary degree or certificate and return to an eligible Idaho postsecondary educational institution to complete their degree [Section 33-4303(6), Idaho Code, and S1279 of 2019].

Atwell Parry Work Study Program: An employment program that assists students with financial or academic needs to attend accredited institutions of higher education in Idaho. Institutions provide a 20% match for on-campus jobs, while off-campus employers provide a 50% match [Section 33-4401, Idaho Code, and H916 of 1994].

Postsecondary Credit Scholarship: H477 of 2016 established the Postsecondary Credit Scholarship program for students who have earned at least ten postsecondary credits while attending high school. The award amount shall not be more than the matching merit-based business or industry scholarship received by the applicant.

Special Programs

Agency Profile

Analyst: Jessup

Teachers/Nurses Loan Forgiveness Program: Provided loans equal to full-time student fees for selected nursing and teacher education students. Loans were ultimately forgiven if the recipient teaches or practices in Idaho for two years after graduation. The law allows up to 16 new awards per year for teachers and 13 for nurses. This program was repealed in 2013 [Section 33-3722, Idaho Code].

Armed Forces and Public Safety Officer Scholarship (fee waiver): Provides tuition and fees, on-campus housing and subsistence, and up to \$500 per semester for books to spouses or children of Idaho citizens who were prisoners of war, missing in action, killed or disabled in any armed conflict of which the United States was a party, or killed or disabled in the line of duty while employed in Idaho as a public safety officer. Awardees must attend an Idaho public college or university [Section 33-4302, Idaho Code].

GEAR UP Idaho Scholarship: Available to students who participated in the early intervention component (7th-10th grade) of the GEAR UP program and graduated in 2012, 2013 or 2014. The monetary value of the GEAR UP Idaho scholarship award to a student is set at the maximum amount of the Federal Pell Grant as established by the federal government for the given year. The total amount of financial aid from all sources shall not exceed the student's total educational costs.

GEAR UP 2 Idaho Scholarship: Available to students who participated in the early intervention component (7th-10th grade) of the GEAR UP program and graduated high school in 2017 and 2018. The monetary value of the GEAR UP 2 Idaho scholarship award to students will depend on how many eligible applicants apply. The amount of each scholarship will be determined by taking the total amount of funds and dividing this amount by the number of applicants. The total amount of financial aid from all sources shall not exceed the student's total educational costs.

Special Programs

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	45.59	19,242,200	23,366,800	45.59	19,242,200	23,366,800
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	45.59	19,242,200	23,366,800	45.59	19,242,200	23,366,800
Removal of Onetime Expenditures	0.00	(3,700)	(3,700)	0.00	(3,700)	(3,700)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	45.59	19,238,500	23,363,100	45.59	19,238,500	23,363,100
Benefit Costs	0.00	500	400	0.00	(27,200)	(27,400)
Inflationary Adjustments	0.00	3,300	3,300	0.00	0	0
Replacement Items	0.00	59,900	59,900	0.00	34,900	34,900
Change in Employee Compensation	0.00	35,100	35,200	0.00	103,300	103,800
FY 2020 Program Maintenance	45.59	19,337,300	23,461,900	45.59	19,349,500	23,474,400
1. FUR, Wood Utilization/Bldg Faculty	1.00	138,300	138,300	0.00	0	0
2. FUR, Mica Creek Watershed Project	1.00	123,600	123,600	1.00	122,600	122,600
3. IGS, Market-based Compensation	0.44	137,900	137,900	0.00	0	0
4. SG, College Bridge Grant	0.00	2,400,000	2,400,000	0.00	0	0
5. SG, GEARUP Scholarships	0.00	0	1,400,000	0.00	0	1,400,000
6. SBDC & TH, Technology Specialist	1.00	137,000	137,000	0.00	0	0
7. Opportunity Scholarships	0.00	0	0	0.00	7,000,000	7,000,000
FY 2020 Total	49.03	22,274,100	27,798,700	46.59	26,472,100	31,997,000
Change from Original Appropriation	3.44	3,031,900	4,431,900	1.00	7,229,900	8,630,200
% Change from Original Appropriation		15.8%	19.0%		37.6%	36.9%

Special Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	45.59	19,242,200	1,000,000	3,124,600	23,366,800

Noncognizable Funds and Transfers

Small Business Development Centers: Requests a transfer of \$350,000 from personnel costs to operating expenditures. Moneys were used for salary and benefits through a contract with Boise State University. This transfer nets to zero.

TechHelp: Requests a transfer of \$45,000 from personnel costs to operating expenditures. This transfer nets to zero.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Estimated Expenditures					
Agency Request	45.59	19,242,200	1,000,000	3,124,600	23,366,800
Governor's Recommendation	45.59	19,242,200	1,000,000	3,124,600	23,366,800

Removal of Onetime Expenditures

Removes onetime funding for replacement items in FY 2019.

Agency Request	0.00	(3,700)	0	0	(3,700)
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Governor's Recommendation	0.00	(3,700)	0	0	(3,700)
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Base Adjustments

Small Business Development Centers: Requests to reverse the transfer of \$350,000 from personnel costs to operating expenditures because the transfer was onetime. Moneys were used for salary and benefits through a contract with Boise State University. This transfer nets to zero.

TechHelp: Requests to reverse the transfer of \$45,000 from personnel costs to operating expenditures. This transfer nets to zero.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	45.59	19,238,500	1,000,000	3,124,600	23,363,100
Governor's Recommendation	45.59	19,238,500	1,000,000	3,124,600	23,363,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	500	0	(100)	400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(27,200)	0	(200)	(27,400)
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Special Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Inflationary Adjustments		Forest Utilization Research, Geological Survey			
Forest Utilization Research: The agency requests \$2,200 for general inflation related to repair and maintenance, computer supplies, and rental leases.					
Idaho Geological Survey: The agency requests \$500 for general inflation related to general services, repair and maintenance, and other miscellaneous expenditures.					
Idaho Museum of Natural History: The agency requests \$600 for general inflation related to communication costs, rental leases, and general services.					
Agency Request	0.00	3,300	0	0	3,300
The Governor does not recommend the use of General Funds for general inflation.					
Governor's Recommendation	0.00	0	0	0	0
Replacement Items					
Idaho Geological Survey: The agency requests funding for two workstations with lidar-capable computers (\$4,600), two digitizing tablets (\$4,000), three sit-stand desks for the map lab (\$7,500), and one high quality digital camera with accessories (\$1,300), for a total of \$17,400 in capital outlay from the General Fund.					
Idaho Museum of Natural History: The agency requests funding for five specialized desktop computers (\$12,000), two custom laptop computers (\$5,100), one high-end desktop computer (\$1,400), one MacBook Pro (\$3,000), three standard desktop computers (\$4,800), one computer tablet (\$1,500), one custom laptop (\$1,800), five standard desktop computers (\$4,900), one standard laptop (\$1,500), one professional cabinet saw (\$3,400), three computer monitors (\$1,500), and two low-end laptop computers (\$1,600), for a total of \$42,500 in capital outlay from the General Fund. Specialized computers requested are used in the museum's 3D digital lab and require significantly more processing power than typical office computers.					
Agency Request	0.00	59,900	0	0	59,900
Idaho Geological Survey: The Governor recommends funding for two workstations with lidar-capable computers (\$4,600) and two digitizing tablets (\$4,000), for a total of \$8,600, in capital outlay from the General Fund.					
Idaho Museum of Natural History: The Governor recommend funding for five specialized desktop computers (\$12,000), two custom laptop computers (\$5,100), one high-end desktop computer (\$1,400), one MacBook Pro (\$3,000), and three standard desktop computers (\$4,800), for a total of \$26,300, in capital outlay from the General Fund.					
Governor's Recommendation	0.00	34,900	0	0	34,900
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	35,100	0	100	35,200
The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.					
Governor's Recommendation	0.00	103,300	0	500	103,800
FY 2020 Program Maintenance					
Agency Request	45.59	19,337,300	1,000,000	3,124,600	23,461,900
Governor's Recommendation	45.59	19,349,500	1,000,000	3,124,900	23,474,400

Special Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. FUR, Wood Utilization/Bldg Faculty					
Forest Utilization Research					
The agency requests 1.00 FTP and \$138,600, from the General Fund, for a faculty member in wood utilization in commercial buildings program to enhance scholarly activity and outreach with Idaho's forest industry and commercial building sectors. Of this amount, \$138,600 is ongoing for personnel costs and operating expenditures and \$5,000 is onetime for capital outlay. The APA-Engineered Wood Association is forecasting that the demand for North American engineered wood products will grow 20-25% during the years 2015-2019. The agency believes that creation of the new faculty position would have academic and economic benefits, and position the state to take advantage of this forecasted growth.					
Agency Request	1.00	138,300	0	0	138,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. FUR, Mica Creek Watershed Project					
Forest Utilization Research					
The agency requests 1.00 FTP and \$123,600, ongoing, from the General Fund, for the Mica Creek Watershed Project. Of this amount, \$91,600 is for personnel costs and \$32,000 is for operating expenditures. Funding would support two part-time field technicians to maintain infrastructure, collect and analyze data for current studies, and the equipment, sample analysis, and travel needs of positions. Since 1990, the Mica Creek Watershed Project has included the active management of over 6,000 acres of forest. Monitoring and studies conducted on forest lands has supported scholarship and academic publications regarding collaborative working forests, the impact of forest treatments on hydrologic regimes, the effects of hillside disturbances on watersheds, and other issues that impact responsible management of public lands. Additional staff would expand the base funding for current and future research and analysis capacity, further enabling the program to attract competitive grant funding.					
Agency Request	1.00	123,600	0	0	123,600
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	122,600	0	0	122,600
3. IGS, Market-based Compensation					
Geological Survey					
The agency requests 0.44 FTP and \$137,900 ongoing from the General Fund to bring seven Idaho Geological Survey (IGS) staff members up to 85% of their University of Idaho market-based salary. IGS has experienced difficulty retaining qualified staff and experienced turnover that directly impacts the agency's ability to efficiently and effectively execute IGS duties. The request would also increase a senior geologist (currently 0.875 FTP) and an administrative staff member (currently 0.69 FTP) to 1.00 FTP each.					
Agency Request	0.44	137,900	0	0	137,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. SG, College Bridge Grant					
Scholarships and Grants					
The agency requests \$2,400,000, in ongoing trustee and benefit payments, from the General Fund to support the creation of bridge programs at postsecondary institutions. The State Board of Education believes this grant program would help mitigate "summer melt," an occurrence when students are admitted to college in the spring, graduate successfully, but do not attend college in the fall. The grant would be available to Boise State University, Idaho State University, Lewis-Clark State College, and the University of Idaho. Funding would allow approximately 500 students to participate in a bridge program at each of the institutions, earn six credits towards graduation, and ensure students maintain their college bound trajectory.					
Agency Request	0.00	2,400,000	0	0	2,400,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Special Programs

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. SG, GEARUP Scholarships					
Scholarships and Grants					
This request is for \$1,400,000 ongoing from the federal grant fund for GEAR UP Scholarships. GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Program) is a federal grant program designed to increase college readiness for low-income students. Changes in federal regulations are expected to increase the number of students eligible for GEAR UP scholarship funds. Additional funding will be requested for FY 2021 as additional growth is anticipated.					
Agency Request	0.00	0	0	1,400,000	1,400,000
Governor's Recommendation	0.00	0	0	1,400,000	1,400,000
6. SBDC & TH, Technology Specialist					
Small Business Development Centers, TechHelp					
Small Business Development Centers (SBDC) and TechHelp (TH), in collaboration, are requesting 1.00 FTP and \$137,000 from the General Fund for a cybersecurity specialist to provide assistance to small businesses and manufacturers on cybersecurity crime prevention, detection, response, and recovery. The position would deliver services statewide and uniquely focus on the cybersecurity needs of developing and existing Idaho businesses that do not typically have dedicated cybersecurity staff. The funding for this position would be split equally between SBDC and TH with each agency requesting 0.50 FTP and \$68,500. Combined, this position includes \$119,000 ongoing for personnel costs, \$15,000 ongoing for operating expenditures, and \$3,000 onetime for capital outlay.					
Agency Request	1.00	137,000	0	0	137,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
7. Opportunity Scholarships					
Scholarships and Grants					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$7,000,000 ongoing from the General Fund to expand the Opportunity Scholarship to serve more eligible applicants. In FY 2018, 1,780 applicants were eligible for the Opportunity Scholarship but did not receive the award because of lack of funds. The Governor believes this line item will support the 60% goal, increase responsiveness of institutions to student needs, and address access and affordability.</i>					
Governor's Recommendation	0.00	7,000,000	0	0	7,000,000
FY 2020 Total					
Agency Request	49.03	22,274,100	1,000,000	4,524,600	27,798,700
Governor's Recommendation	46.59	26,472,100	1,000,000	4,524,900	31,997,000
Agency Request					
Change from Original App	3.44	3,031,900	0	1,400,000	4,431,900
% Change from Original App	7.5%	15.8%	0.0%	44.8%	19.0%
Governor's Recommendation					
Change from Original App	1.00	7,229,900	0	1,400,300	8,630,200
% Change from Original App	2.2%	37.6%	0.0%	44.8%	36.9%

Superintendent of Public Instruction

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	14,189,200	13,305,800	14,909,800	15,163,600	15,030,500
Dedicated	10,226,300	4,815,400	10,285,400	10,333,800	10,371,400
Federal	14,402,500	11,883,800	14,467,800	14,561,600	14,619,900
Total:	38,818,000	30,005,000	39,663,000	40,059,000	40,021,800
Percent Change:		(22.7%)	32.2%	1.0%	0.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	13,736,500	12,262,900	13,893,200	14,170,100	14,219,500
Operating Expenditures	16,609,800	13,370,500	17,198,800	17,260,200	17,270,200
Capital Outlay	40,200	385,200	139,500	197,200	100,600
Trustee/Benefit	8,431,500	3,986,400	8,431,500	8,431,500	8,431,500
Total:	38,818,000	30,005,000	39,663,000	40,059,000	40,021,800
Full-Time Positions (FTP)	142.00	142.00	142.00	143.00	142.00

Division Description

The State Department of Education is an executive agency of the State Board of Education and is established pursuant to Section 33-125, Idaho Code. The State Superintendent of Public Instruction serves as the executive officer of the department and has the responsibility for carrying out policies, procedures, and duties authorized by law or established by the board for all elementary and secondary school matters.

Superintendent of Public Instruction

Agency Profile

Analyst: Lockett

Assessment and Accountability

The State Department of Education is responsible for a number of student assessments and accountability efforts. These include the following:

1. The Idaho Standards Achievement Test by Smarter Balance® (ISAT) that is aligned to the Idaho Content Standards in English/Language Arts (ELA) and Mathematics. The ISATs are administered in grades 3 - 8 and grade 10, and include interim assessments and the Digital Resource Library.
2. The Idaho Standards Achievement Test, which is aligned to the Idaho Content Standards in Science. Science assessments are administered in grades 5 and 7.
3. The Idaho Alternate Assessment (ISAT – ALT) in English/Language Arts, Mathematics, and Science. The ELA and Math tests were developed by the National Center and State Collaborative for students with the most significant cognitive disabilities and administered in grades 3 - 8 and grade 10. The alternate assessment in Science is a student portfolio completed in grades 5, 7, and 10.
4. The Idaho English Language Proficiency Assessment (ELPA) is the English language proficiency assessment administered to students in Kindergarten through grade 12 who have been identified as English Learners.
5. Idaho Reading Indicator (IRI), a screener and diagnostic assessment to determine early literacy skills, is administered in grades K - 3.
6. Civics Assessment, which is administered any time after the grade 7, and is documented on the student transcript for the graduation requirement.
7. Biology End of Course Assessment, which is tested after the completion of a high school biology course.
8. Chemistry End of Course Assessment, which is tested after the completion of a high school chemistry course.
9. SAT, which is administered by the College Board in grade 11.
10. PSAT, which is administered by the College Board, and is traditionally given in grade 10.
11. National Assessment on Educational Progress (NAEP): Reading and Math assessments administered to a sample of Idaho students in grades 4, 8, and 12.

ISAT Results for 2016, 2017, and 2018: Percentage of Students Proficient and Advanced

Grade	English / Language Arts			Math		
	2016	2017	2018	2016	2017	2018
3	49%	47%	50%	52%	50%	52%
4	50%	48%	50%	47%	47%	48%
5	54%	54%	55%	40%	42%	43%
6	51%	51%	53%	39%	40%	44%
7	53%	54%	54%	42%	42%	44%
8	54%	52%	54%	38%	39%	41%
10	62%	59%	59%	31%	32%	33%

Superintendent of Public Instruction

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	142.00	14,909,800	39,663,000	142.00	14,909,800	39,663,000
1. Crisis Communications Counselor	1.00	38,900	38,900	0.00	0	0
FY 2019 Total Appropriation	143.00	14,948,700	39,701,900	142.00	14,909,800	39,663,000
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	143.00	14,948,700	39,701,900	142.00	14,909,800	39,663,000
Removal of Onetime Expenditures	0.00	(59,100)	(141,300)	0.00	(59,100)	(141,300)
FY 2020 Base	143.00	14,889,600	39,560,600	142.00	14,850,700	39,521,700
Benefit Costs	0.00	25,200	49,200	0.00	(18,700)	(40,400)
Replacement Items	0.00	99,400	203,200	0.00	0	103,800
Statewide Cost Allocation	0.00	25,200	57,200	0.00	25,200	57,200
Annualizations	0.00	68,600	68,600	0.00	6,200	6,200
Change in Employee Compensation	0.00	55,600	120,200	0.00	167,100	360,500
FY 2020 Program Maintenance	143.00	15,163,600	40,059,000	142.00	15,030,500	40,009,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	12,800
FY 2020 Total	143.00	15,163,600	40,059,000	142.00	15,030,500	40,021,800
Change from Original Appropriation	1.00	253,800	396,000	0.00	120,700	358,800
% Change from Original Appropriation		1.7%	1.0%		0.8%	0.9%

Superintendent of Public Instruction

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	142.00	14,909,800	10,285,400	14,467,800	39,663,000

1. Crisis Communications Counselor

The department requests a supplemental appropriation of \$38,900 and 1.00 FTP from the General Fund for a crisis communications counselor. The position will increase safety and security supports for schools, including behavioral threat assessment implementation, crisis response planning, inter-jurisdictional crises response memorandums of understanding, and coordinating a wide range of training for school personnel. Having a position of this nature is a strong recommendation from superintendents in states that have experienced active school shooter situations. This request is one component of the Keep Idaho Students Safe Initiative (KISS) found in the public schools budget request and, if funded, would begin approximately February 2019 (for the remainder of FY 2019).

ANALYST NOTE: The department is also requesting \$68,600 from the General Fund related to this position in an annualization. If both items are approved, the ongoing appropriation for the counselor would total \$101,300 from the General Fund beginning in FY 2020.

Agency Request	1.00	38,900	0	0	38,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Total Appropriation					
Agency Request	143.00	14,948,700	10,285,400	14,467,800	39,701,900
Governor's Recommendation	142.00	14,909,800	10,285,400	14,467,800	39,663,000

Noncognizable Funds and Transfers

This request adjusts FTP to match estimated expenditures by fund source by moving 1.63 FTP to the Federal Grant Fund from state funds in FY 2019 and ongoing.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	143.00	14,948,700	10,285,400	14,467,800	39,701,900
Governor's Recommendation	142.00	14,909,800	10,285,400	14,467,800	39,663,000

Removal of Onetime Expenditures

This request removes onetime funding for FY 2019 replacement items, including \$141,300 for network servers, network switches, UPS backup systems, and other miscellaneous equipment.

Agency Request	0.00	(59,100)	(61,800)	(20,400)	(141,300)
Governor's Recommendation	0.00	(59,100)	(61,800)	(20,400)	(141,300)

FY 2020 Base					
Agency Request	143.00	14,889,600	10,223,600	14,447,400	39,560,600
Governor's Recommendation	142.00	14,850,700	10,223,600	14,447,400	39,521,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	25,200	7,600	16,400	49,200
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(18,700)	(6,700)	(15,000)	(40,400)

Superintendent of Public Instruction

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
This is a request for onetime replacement items that includes: four network servers for \$68,000; two network switches for \$48,100; two UPS backup systems for \$2,100; miscellaneous equipment including laptop computers, keyboards, and docking stations for \$79,000; and \$6,000 for software, for a total of \$203,200.					
Agency Request	0.00	99,400	71,500	32,300	203,200
<i>The Governor recommends the dedicated and federal fund replacement items only. He does not recommend replacement items from the General Fund.</i>					
Governor's Recommendation	0.00	0	71,500	32,300	103,800

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$4,400, risk management costs will increase by \$8,000, State Controller fees will increase by \$4,700, and State Treasurer fees will increase by \$1,600, for a net increase of \$9,900.

This request also includes \$47,300 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 21.0%.

Agency Request	0.00	25,200	11,300	20,700	57,200
Governor's Recommendation	0.00	25,200	11,300	20,700	57,200

Annualizations

Funding is requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The Superintendent's pay increased by 9.5% on January 1, 2019, from \$107,357 to \$117,557 annually. This adjustment funds the increase from July 1, 2019, through December 31, 2019. Pursuant to Section 59-501, Idaho Code, the Superintendent's salary will remain at \$117,557 until January 2023.

Funding is also requested for the remaining portion of a full year of personnel costs for a crisis communications counselor that was requested as a \$38,900 General Fund supplemental appropriation for FY 2019. If both items are approved, the ongoing appropriation for the counselor would total \$101,300 from the General Fund beginning in FY 2020.

Agency Request	0.00	68,600	0	0	68,600
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The Governor does not recommend the crisis communications counselor, but he does recommend the constitutional officers' pay increase.

Governor's Recommendation	0.00	6,200	0	0	6,200
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	55,600	19,800	44,800	120,200
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	167,100	58,900	134,500	360,500
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FY 2020 Program Maintenance

Agency Request	143.00	15,163,600	10,333,800	14,561,600	40,059,000
Governor's Recommendation	142.00	15,030,500	10,358,600	14,619,900	40,009,000

Superintendent of Public Instruction

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	12,800	0	12,800
FY 2020 Total					
Agency Request	143.00	15,163,600	10,333,800	14,561,600	40,059,000
Governor's Recommendation	142.00	15,030,500	10,371,400	14,619,900	40,021,800
Agency Request					
Change from Original App	1.00	253,800	48,400	93,800	396,000
% Change from Original App	0.7%	1.7%	0.5%	0.6%	1.0%
Governor's Recommendation					
Change from Original App	0.00	120,700	86,000	152,100	358,800
% Change from Original App	0.0%	0.8%	0.8%	1.1%	0.9%

Vocational Rehabilitation

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Extended Employment Services	4,423,400	3,929,000	4,427,300	4,435,400	4,440,000
Vocational Rehabilitation	23,532,600	20,997,900	23,609,000	23,787,400	23,850,200
Deaf & Hard of Hearing Council	219,900	223,200	269,800	276,700	278,400
Total:	28,175,900	25,150,100	28,306,100	28,499,500	28,568,600
BY FUND CATEGORY					
General	8,589,000	8,093,300	8,648,300	8,692,700	8,759,300
Dedicated	2,050,700	1,501,600	2,112,600	2,111,400	2,116,600
Federal	17,536,200	15,555,200	17,545,200	17,695,400	17,692,700
Total:	28,175,900	25,150,100	28,306,100	28,499,500	28,568,600
Percent Change:		(10.7%)	12.5%	0.7%	0.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	10,806,900	10,305,800	10,956,500	11,090,300	10,762,100
Operating Expenditures	1,744,200	1,577,200	1,776,500	1,832,300	2,249,600
Capital Outlay	162,000	111,500	110,300	114,100	94,100
Trustee/Benefit	15,462,800	13,155,600	15,462,800	15,462,800	15,462,800
Total:	28,175,900	25,150,100	28,306,100	28,499,500	28,568,600
Full-Time Positions (FTP)	152.50	152.50	154.00	154.00	149.00

Division Description

The Idaho Division of Vocational Rehabilitation (IDVR) is an agency under the oversight of the Office of the State Board of Education. IDVR is charged with several major responsibilities: Management of the State/Federal Vocational Rehabilitation (VR) Program, Extended Employment Services (EES), and the fiscal management of the Council for the Deaf and Hard of Hearing (CDHH).

Programs under IDVR:

Vocational Rehabilitation (VR): The VR program is one of the oldest and most successful federal/state programs in the United States. VR serves individuals with severe disabilities that impose significant barriers to gainful employment. VR assists Idahoans with a diverse array of disabilities to prepare, obtain, advance in, and retain employment based on their unique skills and abilities. The VR program provides services to eligible Idahoans with disabilities to assist them in transitioning from unemployment to gainful employment or to maintain employment. The VR program is a way to self-sufficiency, and works in concert with the State Rehabilitation Council (SRC), which serves in an advisory capacity.

Extended Employment Services (EES): The EES program provides skill development in a non-integrated setting, or long term on-the-job supports in community competitive employment for individuals with the most significant disabilities, which include developmental disabilities, traumatic brain injuries, specific learning disabilities, and mental illnesses. The program provides funding to individuals with severe disabilities who are deemed unable to maintain employment without ongoing support.

Council for the Deaf and Hard of Hearing (CDHH): CDHH is an independent agency organized under IDVR. This is a flow-through council for budgetary and administrative support purposes only, with no direct programmatic implication for IDVR. CDHH's vision is to ensure that individuals who are deaf, hard of hearing, or hearing impaired have a centralized location to obtain resources and information about services available.

Vocational Rehabilitation

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	154.00	8,648,300	28,306,100	154.00	8,648,300	28,306,100
Reappropriation	0.00	80,000	80,000	0.00	80,000	80,000
FY 2019 Total Appropriation	154.00	8,728,300	28,386,100	154.00	8,728,300	28,386,100
Removal of Onetime Expenditures	0.00	(107,000)	(190,300)	0.00	(107,000)	(190,300)
FY 2020 Base	154.00	8,621,300	28,195,800	154.00	8,621,300	28,195,800
Benefit Costs	0.00	10,000	41,500	0.00	(14,100)	(59,900)
Inflationary Adjustments	0.00	1,800	8,400	0.00	1,800	8,400
Replacement Items	0.00	24,400	114,100	0.00	20,100	94,100
Statewide Cost Allocation	0.00	5,800	39,400	0.00	5,800	39,400
Change in Employee Compensation	0.00	21,400	92,300	0.00	65,900	285,600
FY 2020 Program Maintenance	154.00	8,684,700	28,491,500	154.00	8,700,800	28,563,400
1. Interpreter Training	0.00	8,000	8,000	0.00	8,000	8,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	13,300
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(5.00)	50,500	(16,100)
FY 2020 Total	154.00	8,692,700	28,499,500	149.00	8,759,300	28,568,600
Change from Original Appropriation	0.00	44,400	193,400	(5.00)	111,000	262,500
% Change from Original Appropriation		0.5%	0.7%		1.3%	0.9%

Vocational Rehabilitation

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	154.00	8,648,300	2,112,600	17,545,200	28,306,100

Reappropriation

The agency was authorized to reappropriate or carryover is unencumbered and unspent appropriation of dedicated funds from FY 2018 into FY 2019 for a onetime rate increase to community rehabilitation providers. Carryover totaled \$80,000 from the General Fund. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	80,000	0	0	80,000
Governor's Recommendation	0.00	80,000	0	0	80,000

FY 2019 Total Appropriation					
Agency Request	154.00	8,728,300	2,112,600	17,545,200	28,386,100
Governor's Recommendation	154.00	8,728,300	2,112,600	17,545,200	28,386,100

Removal of Onetime Expenditures

Removes onetime carryover authority and onetime appropriation for FY 2019 replacement and line items.

Agency Request	0.00	(107,000)	(2,700)	(80,600)	(190,300)
Governor's Recommendation	0.00	(107,000)	(2,700)	(80,600)	(190,300)

FY 2020 Base					
Agency Request	154.00	8,621,300	2,109,900	17,464,600	28,195,800
Governor's Recommendation	154.00	8,621,300	2,109,900	17,464,600	28,195,800

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	10,000	400	31,100	41,500
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(14,100)	(900)	(44,900)	(59,900)

Inflationary Adjustments

The agency requests \$12,600 ongoing, of which \$2,700 is from the General Fund and \$9,900 is from dedicated funds, for contract inflation of rent at buildings around the state. The FY 2020 Base supports \$455,500 for agency rent, and this requests represents a 2.73% increase.

Agency Request	0.00	1,800	0	6,600	8,400
Governor's Recommendation	0.00	1,800	0	6,600	8,400

Replacement Items

The agency requests a total of \$114,100 for onetime replacement of: 23 multi-function printers (\$73,800); ten laptops (\$11,000); ten desktops (\$7,500); 20 monitors (\$1,800); and 50 office and reception chairs (\$20,000).
The Governor does not recommend the replacement of office and reception chairs, for a difference of \$4,300 from the General Fund and \$15,700 from federal funds.

Agency Request	0.00	24,400	0	89,700	114,100
Governor's Recommendation	0.00	20,100	0	74,000	94,100

Vocational Rehabilitation

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$10,500, risk management costs will increase by \$4,700, State Controller fees will increase by \$6,200, and State Treasurer fees will increase by \$200, for a net increase of \$21,600.					
This request also includes \$17,800 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.8%.					
Agency Request	0.00	5,800	0	33,600	39,400
Governor's Recommendation	0.00	5,800	0	33,600	39,400
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	21,400	1,100	69,800	92,300
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$8,900 for that purpose.</i>					
Governor's Recommendation	0.00	65,900	3,300	216,400	285,600
FY 2020 Program Maintenance					
Agency Request	154.00	8,684,700	2,111,400	17,695,400	28,491,500
Governor's Recommendation	154.00	8,700,800	2,112,300	17,750,300	28,563,400
1. Interpreter Training			Council for the Deaf and Hard of Hearing		
The agency requests \$8,000 in ongoing operating expenditures from the General Fund to support the Idaho Council for the Deaf and Hard of Hearing in partnership with Idaho Registry of Interpreters for the Deaf (IDRID) to provide training opportunities for licensed interpreters. Licensed interpreters must complete continuing education hours in the amount of 10 hours annually as set forth in the Idaho Speech and Hearing Services Practice Act, Chapter 29, Title 54. Currently, the agency partners with IDRID to host an annual conference. However, with the cost associated with holding a larger conference, the agency asserts it is more practicable for interpreters to attend smaller workshops held around the state throughout the year.					
Agency Request	0.00	8,000	0	0	8,000
Governor's Recommendation	0.00	8,000	0	0	8,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	4,300	9,000	13,300
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies.</i>					
Governor's Recommendation	(5.00)	50,500	0	(66,600)	(16,100)
FY 2020 Total					
Agency Request	154.00	8,692,700	2,111,400	17,695,400	28,499,500
Governor's Recommendation	149.00	8,759,300	2,116,600	17,692,700	28,568,600

Vocational Rehabilitation

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	0.00	44,400	(1,200)	150,200	193,400
% Change from Original App	0.0%	0.5%	(0.1%)	0.9%	0.7%
Governor's Recommendation					
Change from Original App	(5.00)	111,000	4,000	147,500	262,500
% Change from Original App	(3.2%)	1.3%	0.2%	0.8%	0.9%

Idaho Legislative Budget Book

Health and Human Services

2019 Legislative Session

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Catastrophic Health Care Program

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	17,999,500	17,999,500	9,999,700	20,000,500	15,000,500
Percent Change:		0.0%	(44.4%)	100.0%	50.0%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	387,200	387,200	386,900	425,800	425,800
Trustee/Benefit	17,612,300	17,612,300	9,612,800	19,574,700	14,574,700
Total:	17,999,500	17,999,500	9,999,700	20,000,500	15,000,500

Department Description

The Catastrophic Health Care Program was established to meet the needs of the medically indigent in Idaho who do not qualify for state or federal health and welfare programs, but do qualify for county assistance. Beginning July 1, 2009, the resident county is responsible for the first \$11,000 in medical bills for the medically indigent in any twelve-month period. The state program is responsible for all medical bills in excess of \$11,000. Appropriations from the General Fund to this program are transferred into the Catastrophic Health Care Fund which is perpetually appropriated for expenses incurred.

Catastrophic Health Care Program Agency Profile

Analyst: Tatro

Revenue and Payments Summary

Fiscal Year	CAT Board				Seatbelt		Supplemental/ (Rescission)	Actual State Payments	Total Reported Program Costs
	All Cases	Approved Cases	Previous Year Bills	Reimbursed	Income	Orig App			
2005	4,872	849	\$170,000	\$1,948,582	\$165,796	\$12,660,500	\$3,675,000	\$18,512,162	\$32,518,791
2006	3,832	1,063	\$3,575,000	\$2,329,670	\$136,226	\$15,260,300	\$5,000,000	\$23,023,445	\$38,358,979
2007	3,709	969	\$0	\$3,176,882	\$121,321	\$20,766,800	\$0	\$24,648,020	\$38,366,817
2008	3,771	1,101	\$0	\$3,583,869	\$107,669	\$20,768,400	\$0	\$25,423,697	\$41,740,875
2009	4,323	1,187	\$833,110	\$2,932,069	\$139,168	\$20,767,700	\$2,500,000	\$26,677,166	\$44,516,529
2010	4,358	1,298	\$2,733,308	\$2,769,736	\$132,548	\$19,771,700	\$14,000,000	\$31,181,297	\$44,566,305
2011	4,590	1,286	\$5,548,363	\$2,320,990	\$152,832	\$18,271,200	\$4,325,000	\$31,230,609	\$51,115,564
2012	6,491	1,292	\$349,919	\$2,726,508	\$152,017	\$22,267,700	\$14,070,000	\$38,585,800	\$55,272,391
2013	5,308	1,150	\$0	\$2,222,572	\$126,887	\$36,532,800	(\$6,000,000)	\$31,061,400	\$52,670,052
2014	4,839	1,108	\$155,894	\$2,525,675	\$91,915	\$34,830,100	(\$6,430,773)	\$28,388,435	\$51,528,726
2015	3,795	721	\$0	\$2,540,678	\$106,697	\$34,966,300	\$0	\$18,970,491	\$36,329,213
2016	4,080	634	\$0	\$3,006,344	\$98,578	\$27,000,000	(\$28,892,700)	\$16,582,239	\$33,949,636
2017	4,195	584	\$0	\$2,445,474	\$77,541	\$18,000,000	(\$4,945,100)	\$12,030,889	\$29,405,434
2018	4,776	820	\$0	\$2,919,456	\$73,406	\$17,999,500	\$0	\$19,993,209	\$40,701,503

Definitions:

All Cases: Number of indigent cases reported by counties, including CAT Board Approved, and those that cost less than the catastrophic amount.

CAT Board Approved Cases: The number of indigent cases that exceed the catastrophic amount of \$11,000.

Previous Year Bills: The amount of bills unpaid in the prior year.

Reimbursed: The amount received from indigents who are able to pay a portion of their bills. Reimbursed funds are continuously appropriated.

Seatbelt Income: The amount of revenue received from seatbelt ticket fines per Section 49-673, Idaho Code.

Orig App: Original appropriation for that fiscal year.

Supp/(Rescission): Supplemental or rescission for that fiscal year.

Actual State Payments: As reported for the fiscal year in the statewide accounting system.

Total Reported Program Costs: As reported in the Catastrophic Health Care Cost Program Annual Report. Includes state and county costs.

Catastrophic Health Care Program

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	9,999,700	9,999,700	0.00	9,999,700	9,999,700
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	0.00	9,999,700	9,999,700	0.00	9,999,700	9,999,700
Statewide Cost Allocation	0.00	800	800	0.00	800	800
FY 2020 Program Maintenance	0.00	10,000,500	10,000,500	0.00	10,000,500	10,000,500
1. Increased Catastrophic Claims Costs	0.00	10,000,000	10,000,000	0.00	5,000,000	5,000,000
FY 2020 Total	0.00	20,000,500	20,000,500	0.00	15,000,500	15,000,500
Change from Original Appropriation	0.00	10,000,800	10,000,800	0.00	5,000,800	5,000,800
% Change from Original Appropriation		100.0%	100.0%		50.0%	50.0%

Catastrophic Health Care Program

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	9,999,700	0	0	9,999,700

Base Adjustments

This adjustment transfers \$38,100 from trustee and benefit payments to operating expenditures to account for increased costs in managing the program. The program receives a cash transfer from the state as lump sum authority and this transfer is being made for tracking purposes only.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	0.00	9,999,700	0	0	9,999,700
Governor's Recommendation	0.00	9,999,700	0	0	9,999,700

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. State Controller fees will increase by \$700, and State Treasurer fees will increase by \$100, for a net increase of \$800.

Agency Request	0.00	800	0	0	800
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Governor's Recommendation	0.00	800	0	0	800
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FY 2020 Program Maintenance					
Agency Request	0.00	10,000,500	0	0	10,000,500
Governor's Recommendation	0.00	10,000,500	0	0	10,000,500

1. Increased Catastrophic Claims Costs

The Catastrophic Health Care Program requests an additional \$10,000,000 from the General Fund for estimated increases in catastrophic claims. This request represents a 50% increase in appropriation, but only a 5% increase in claims payments above the estimated expenditures for FY 2019.

For FY 2019, the Legislature appropriated \$9,999,700 from the General Fund with the intent that the program use its existing cash balance of almost \$11,000,000 to pay claims. The Legislature understood that by appropriating a lesser amount for FY 2019 would mean that additional dollars would need to be restored for claims payments. Claims payments increased 66% from \$12,030,889 in FY 2017 to \$19,993,209 in FY 2018, and current estimates have payments exceeding \$20,000,000 in FY 2019. This request represents a projected 5% increase in caseload and therefore the program requests an additional \$10,000,000 from the General Fund for projected increases in catastrophic claims. The requested amount accounts for the estimated \$2,500,000 the program receives in reimbursements each year.

Agency Request	0.00	10,000,000	0	0	10,000,000
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The Governor recommends \$5,000,000 onetime from the General Fund for increased catastrophic health care cases and costs per case.

Governor's Recommendation	0.00	5,000,000	0	0	5,000,000
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FY 2020 Total					
Agency Request	0.00	20,000,500	0	0	20,000,500
Governor's Recommendation	0.00	15,000,500	0	0	15,000,500

Agency Request					
Change from Original App	0.00	10,000,800	0	0	10,000,800
% Change from Original App		100.0%			100.0%
Governor's Recommendation					
Change from Original App	0.00	5,000,800	0	0	5,000,800
% Change from Original App		50.0%			50.0%

Idaho Legislative Budget Book

Department of Health and Welfare

2019 Legislative Session

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Department of Health and Welfare

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Child Welfare	71,286,300	67,051,000	76,925,500	82,307,800	82,526,700
Developmentally Disabled Svcs	31,546,200	28,207,300	32,783,100	32,379,000	32,417,700
Independent Councils	9,083,100	8,779,600	9,082,000	13,093,400	13,112,700
Indirect Support Services	46,381,700	43,565,900	48,720,200	50,143,500	49,887,800
Medicaid, Division of	2,343,605,500	2,316,908,000	2,449,450,500	2,620,263,700	2,803,258,900
Mental Health Services	48,874,000	42,544,200	53,137,300	56,593,100	50,982,000
Psychiatric Hospitalization	40,280,000	40,159,000	38,815,600	40,228,700	38,686,900
Public Health Services	116,831,700	99,816,100	120,787,300	125,113,000	125,243,900
Service Integration	6,062,100	5,222,100	6,067,500	6,099,600	6,113,100
Substance Abuse	14,825,700	14,892,900	17,206,300	21,472,700	17,842,000
Welfare, Division of	172,320,100	161,478,500	175,037,800	165,245,300	165,469,500
Health Care Policy Initiatives	12,942,700	10,141,600	17,945,400	1,295,900	1,299,400
Licensing and Certification	6,895,700	6,938,400	7,321,500	7,636,300	7,450,000
Total:	2,920,934,800	2,845,704,600	3,053,280,000	3,221,872,000	3,394,290,600
BY FUND CATEGORY					
General	726,515,100	720,464,600	765,238,100	877,261,100	863,597,200
Dedicated	384,194,700	363,451,500	380,947,600	313,658,700	331,739,200
Federal	1,810,225,000	1,761,788,500	1,907,094,300	2,030,952,200	2,198,954,200
Total:	2,920,934,800	2,845,704,600	3,053,280,000	3,221,872,000	3,394,290,600
Percent Change:		(2.6%)	7.3%	5.5%	11.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	220,763,500	205,156,700	222,982,300	225,402,900	226,245,300
Operating Expenditures	195,031,400	161,702,000	218,674,200	207,991,200	202,773,400
Capital Outlay	3,859,600	5,318,000	2,427,800	3,482,500	2,675,400
Trustee/Benefit	2,501,280,300	2,473,527,900	2,609,195,700	2,784,995,400	2,962,596,500
Total:	2,920,934,800	2,845,704,600	3,053,280,000	3,221,872,000	3,394,290,600
Full-Time Positions (FTP)	2,918.38	2,918.38	2,922.71	2,940.11	2,932.11

Department Description

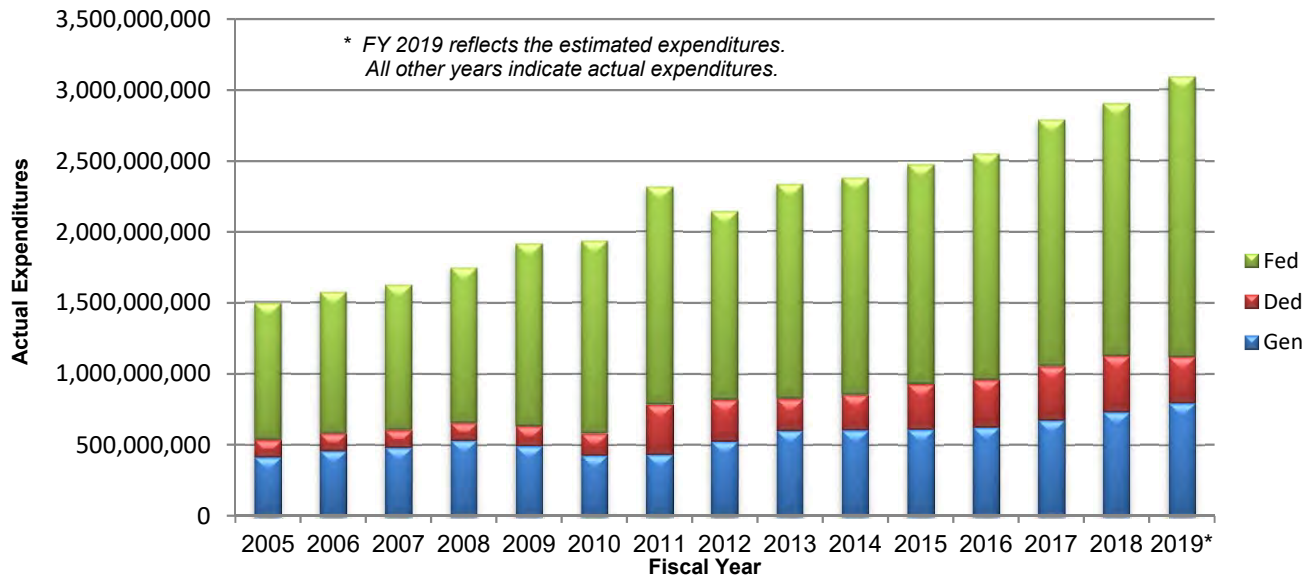
The Idaho Department of Health and Welfare provides services and regulatory programs in partnership with taxpayers, consumers, and providers to promote economic well-being, support vulnerable children and adults, enhance public health, and encourage self-sufficiency.

Department of Health and Welfare Agency Profile

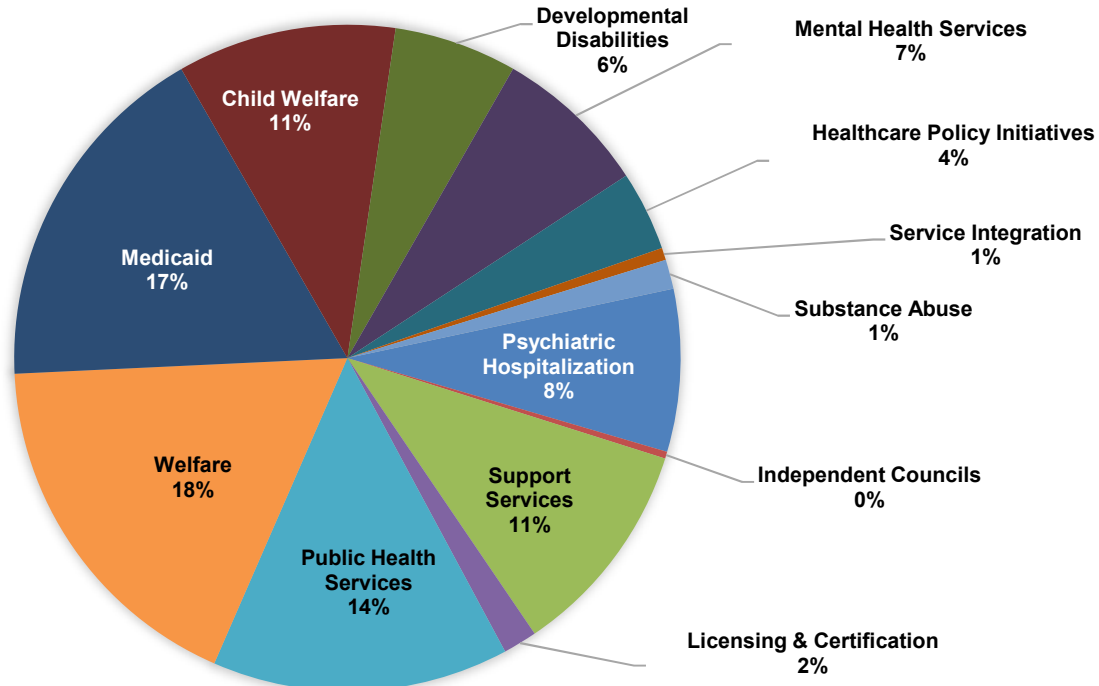
Analyst: Tatro

Budget Overview

Expenditures by General, Dedicated, and Federal Funds, FY 2005 - FY 2019



FY 2019 Original Appropriation by Division, Personnel Costs and Operating Expenditures Only



Personnel costs and operating expenditures account for 14.5% or \$441,656,500 of the \$3,053,280,000 FY 2019 Original Appropriation.

Department of Health and Welfare

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	2,922.71	765,238,100	3,053,280,000	2,922.71	765,238,100	3,053,280,000
Supplementals						
Services for the Developmentally Disabled						
5. Various Health Federal Grants	0.00	0	(750,000)	0.00	0	(750,000)
Division of Medicaid						
1. FY 2018 Medicaid Held Payments	0.00	5,075,500	9,307,400	0.00	0	9,307,400
2. MMIS Contract Extensions	0.00	580,400	2,321,600	0.00	580,400	2,321,600
3. Hospital Cost Audit Fund Adjustment	0.00	16,556,100	0	0.00	16,556,100	0
5. Various Health Federal Grants	0.00	0	(700,000)	0.00	0	(700,000)
7. Increase in Utilization of Services	0.00	18,905,400	32,502,600	0.00	14,850,200	32,502,600
Public Health Services						
5. Various Health Federal Grants	6.00	0	5,550,000	6.00	0	5,550,000
6. Additional EMS Grants	0.00	0	300,000	0.00	0	300,000
Substance Abuse Treatment & Prevention						
4. Already Approved Contract Increase	0.00	780,000	780,000	0.00	520,000	520,000
Division of Welfare						
5. Various Health Federal Grants	0.00	0	(1,000,000)	0.00	0	(1,000,000)
Healthcare Policy Initiatives						
5. Various Health Federal Grants	0.00	0	(3,100,000)	0.00	0	(3,100,000)
Rescissions						
Healthcare Policy Initiatives						
1. Graduate Medical Education	0.00	(107,800)	(375,000)	0.00	(107,800)	(375,000)
FY 2019 Total Appropriation	2,928.71	807,027,700	3,098,116,600	2,928.71	797,637,000	3,097,856,600
Noncognizable Funds and Transfers	0.00	0	4,000,000	0.00	0	4,000,000
FY 2019 Estimated Expenditures	2,928.71	807,027,700	3,102,116,600	2,928.71	797,637,000	3,101,856,600
Removal of Onetime Expenditures	0.00	(7,103,300)	(51,574,900)	0.00	(2,547,800)	(56,150,100)
Base Adjustments	(8.60)	0	(9,356,800)	(8.60)	0	(9,356,800)
FY 2020 Base	2,920.11	799,924,400	3,041,184,900	2,920.11	795,089,200	3,036,349,700
Benefit Costs	0.00	292,800	670,100	0.00	(569,700)	(1,299,400)
Inflationary Adjustments	0.00	133,600	203,100	0.00	116,500	186,000
Replacement Items	0.00	2,263,800	3,941,600	0.00	1,523,800	2,846,300
Statewide Cost Allocation	0.00	592,100	1,117,700	0.00	592,100	1,117,700
Annualizations	0.00	2,592,500	2,592,500	0.00	2,592,500	2,592,500
Change in Employee Compensation	0.00	807,200	1,856,800	0.00	2,354,900	5,425,400
Nondiscretionary Adjustments	0.00	52,894,800	108,354,700	0.00	55,063,900	112,409,900
Endowment Adjustments	0.00	(930,600)	0	0.00	(860,800)	0
FY 2020 Program Maintenance	2,920.11	858,570,600	3,159,921,400	2,920.11	855,902,400	3,159,628,100
Line Items						
Child Welfare						
2. Child Welfare Initiative	0.00	5,752,000	11,504,000	0.00	0	11,504,000
8. Social Worker Pay Increases	0.00	118,600	237,200	0.00	117,200	234,400
Independent Councils						
33. VOCA Grant	0.00	0	4,000,000	0.00	0	4,000,000
Indirect Support Services						
5. Workplace Safety Improvements	0.00	345,200	690,500	0.00	345,200	690,500
Division of Medicaid						
6. Children's DD Services Process Change	0.00	820,800	2,860,000	0.00	820,800	2,860,000
9. MMIS Independent Verification	0.00	100,000	1,000,000	0.00	100,000	1,000,000
15. Medicaid Accountant Contract Rebid	0.00	157,000	314,000	0.00	0	0
18. Jeff D Settlement New Staff	3.00	127,300	254,600	0.00	0	0
19. Health Data Exchange Connections	0.00	592,500	5,924,600	0.00	0	5,332,100
21. NEMT Rate Increase	0.00	2,030,400	6,892,200	0.00	2,030,400	7,973,300
23. Case Management Module	0.00	610,000	4,000,000	0.00	0	0

Department of Health and Welfare

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
25. Dental Provider Rate Increase	0.00	1,296,400	4,400,000	0.00	0	0
26. DD Provider Rate Increase	0.00	1,126,900	3,825,000	0.00	0	0
27. School Based Services Rate Increase	0.00	0	5,628,900	0.00	0	3,702,700
28. Children's DD Services New Position	1.00	37,200	74,400	0.00	0	0
29. Medicaid Pharmacist	1.00	38,800	139,100	0.00	0	0
34. Childrens Behavioral Health Services	0.00	0	0	0.00	0	0
35. Requested Transfer Language	0.00	0	0	0.00	0	0
36. Medicaid Expansion	0.00	0	0	3.00	9,267,000	197,307,900
Mental Health Services						
3. Mental Health Court Enhancement	0.00	1,608,000	1,608,000	0.00	0	0
35. Requested Transfer Language	0.00	0	0	0.00	0	0
36. Medicaid Expansion	0.00	0	0	0.00	(4,200,000)	(4,200,000)
Psychiatric Hospitalization						
12. SHN Infection Prevention Officer	1.00	88,200	88,200	0.00	0	0
13. SHS Additional Staffing	2.00	105,000	105,000	1.00	48,600	48,600
14. Reclassify LPNs to RNs	0.00	80,300	93,700	0.00	0	0
17. Psychiatry and Nursing Services	0.00	392,200	392,200	0.00	144,200	144,200
36. Medicaid Expansion	0.00	0	0	0.00	(1,000,000)	(1,000,000)
Public Health Services						
1. Suicide Prevention Infrastructure	0.00	1,026,100	1,026,100	0.00	1,026,100	1,026,100
20. Cancer Data Registry	0.00	106,000	116,000	0.00	0	116,000
24. Tuberculosis Program	0.00	272,600	259,700	0.00	272,600	259,700
31. Food Protection Program	1.00	25,700	25,700	0.00	0	0
32. Chronic Disease Health Ed Specialist	1.00	0	27,500	1.00	0	32,400
Substance Abuse Treatment & Prevention						
4. Non-Opioid Provider Treatment	0.00	2,050,000	2,050,000	0.00	0	0
22. Opioid Response Grant	0.00	0	4,110,000	0.00	0	4,110,000
30. Problem-Solving Courts Transfer	0.00	(735,000)	(735,000)	0.00	(735,000)	(735,000)
36. Medicaid Expansion	0.00	0	0	0.00	(1,200,000)	(1,200,000)
37. Annualized Contract Increase	0.00	0	0	0.00	390,000	390,000
Healthcare Policy Initiatives						
7. Health Care Reform	7.00	396,800	795,900	7.00	267,100	799,400
Licensing and Certification						
16. Additional Long Term Care Staff	3.00	121,500	243,100	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	255,500
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	4,400
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	600	6,300
FY 2020 Total	2,940.11	877,261,100	3,221,872,000	2,932.11	863,597,200	3,394,290,600
Chg from FY 2019 Orig Approp.	17.40	112,023,000	168,592,000	9.40	98,359,100	341,010,600
% Chg from FY 2019 Orig Approp.	0.6%	14.6%	5.5%	0.3%	12.9%	11.2%

Child Welfare

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Child Welfare	41,194,800	34,676,700	46,834,000	51,216,300	51,435,200
Foster & Assistance Payments	30,091,500	32,374,300	30,091,500	31,091,500	31,091,500
Total:	71,286,300	67,051,000	76,925,500	82,307,800	82,526,700
BY FUND CATEGORY					
General	25,098,800	25,039,000	23,460,100	29,579,000	23,897,600
Dedicated	797,100	137,300	4,697,100	797,100	6,549,100
Federal	45,390,400	41,874,700	48,768,300	51,931,700	52,080,000
Total:	71,286,300	67,051,000	76,925,500	82,307,800	82,526,700
Percent Change:		(5.9%)	14.7%	7.0%	7.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	30,630,100	27,460,700	31,155,800	31,743,000	31,961,900
Operating Expenditures	10,562,700	7,167,300	15,678,200	19,473,300	19,473,300
Capital Outlay	2,000	48,700	0	0	0
Trustee/Benefit	30,091,500	32,374,300	30,091,500	31,091,500	31,091,500
Total:	71,286,300	67,051,000	76,925,500	82,307,800	82,526,700
Full-Time Positions (FTP)	405.75	404.80	404.80	404.80	404.80

Division Description

The Division of Child Welfare has two budgeted programs and is responsible for child protection, foster care, and adoptions. The Child Welfare Program is responsible for the operating costs of the program including personnel, operating, and capital expenditures. The Foster and Assistance Payments Program includes trustee and benefit payments for services or items purchased directly for children in the child welfare system.

Child Welfare

Comparative Summary

Analyst: Tatro

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	404.80	23,460,100	76,925,500	404.80	23,460,100	76,925,500
Noncognizable Funds and Transfers	0.00	0	1,000,000	0.00	0	1,000,000
FY 2019 Estimated Expenditures	404.80	23,460,100	77,925,500	404.80	23,460,100	77,925,500
Removal of Onetime Expenditures	0.00	(6,000)	(7,806,000)	0.00	(6,000)	(7,806,000)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	404.80	23,454,100	70,119,500	404.80	23,454,100	70,119,500
Benefit Costs	0.00	30,200	92,900	0.00	(60,400)	(185,800)
Statewide Cost Allocation	0.00	35,100	91,100	0.00	35,100	91,100
Change in Employee Compensation	0.00	85,500	263,100	0.00	248,100	763,500
Nondiscretionary Adjustments	0.00	103,500	0	0.00	103,500	0
FY 2020 Program Maintenance	404.80	23,708,400	70,566,600	404.80	23,780,400	70,788,300
2. Child Welfare Initiative	0.00	5,752,000	11,504,000	0.00	0	11,504,000
8. Social Worker Pay Increases	0.00	118,600	237,200	0.00	117,200	234,400
FY 2020 Total	404.80	29,579,000	82,307,800	404.80	23,897,600	82,526,700
Change from Original Appropriation	0.00	6,118,900	5,382,300	0.00	437,500	5,601,200
% Change from Original Appropriation		26.1%	7.0%		1.9%	7.3%

Child Welfare

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	404.80	23,460,100	4,697,100	48,768,300	76,925,500

Noncognizable Funds and Transfers

This action transfers \$1,000,000 from the Self-Reliance Operations Program to the Foster and Assistance Payments Program.

Agency Request	0.00	0	0	1,000,000	1,000,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>1,000,000</i>	<i>1,000,000</i>

FY 2019 Estimated Expenditures					
Agency Request	404.80	23,460,100	4,697,100	49,768,300	77,925,500
<i>Governor's Recommendation</i>	<i>404.80</i>	<i>23,460,100</i>	<i>4,697,100</i>	<i>49,768,300</i>	<i>77,925,500</i>

Removal of Onetime Expenditures

This action removes onetime funding that was provided for the first year of the child welfare system replacement and onetime personnel costs that were appropriated for the startup of the Citizen Review Panels.

Agency Request	0.00	(6,000)	(3,900,000)	(3,900,000)	(7,806,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(6,000)</i>	<i>(3,900,000)</i>	<i>(3,900,000)</i>	<i>(7,806,000)</i>

Base Adjustments

This adjustment makes the \$1,000,000 transfer from Self-Reliance Operations Program to the Foster and Assistance Payments Program ongoing.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	404.80	23,454,100	797,100	45,868,300	70,119,500
<i>Governor's Recommendation</i>	<i>404.80</i>	<i>23,454,100</i>	<i>797,100</i>	<i>45,868,300</i>	<i>70,119,500</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	30,200	0	62,700	92,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(60,400)</i>	<i>0</i>	<i>(125,400)</i>	<i>(185,800)</i>
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$55,300.

This request also includes \$35,800 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	35,100	0	56,000	91,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>35,100</i>	<i>0</i>	<i>56,000</i>	<i>91,100</i>

Child Welfare

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	85,500	0	177,600	263,100
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	248,100	0	515,400	763,500
Nondiscretionary Adjustments					
This adjustment increases the General Fund appropriation by \$103,500 and decreases a like amount in federal funds to reflect a change in the Title XIX Federal Medical Assistance Percentage (FMAP) rate, which is the federal share of eligible Medicaid payments for the majority of services provided. The rate will change from 71.13% to 70.34% for FY 2020.					
Agency Request	0.00	103,500	0	(103,500)	0
Governor's Recommendation	0.00	103,500	0	(103,500)	0
FY 2020 Program Maintenance					
Agency Request	404.80	23,708,400	797,100	46,061,100	70,566,600
Governor's Recommendation	404.80	23,780,400	797,100	46,210,800	70,788,300

Child Welfare

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Child Welfare Initiative					Child Welfare
<p>Child Welfare requests \$11,504,000 in onetime operating expenditures to continue department efforts to improve the processes for child welfare staff. This includes the continued contract work for refining business processes for social workers and transitioning from the current internally managed case management system (iCare) to a new software as a service based-system, Microsoft Dynamics. For FY 2019, the Legislature appropriated \$7.8 million to Child Welfare to replace the current iCare system for what the Legislature thought was to build a custom in-house system. However, during FY 2018, the department realized that an in-house build was not going to be the most cost-effective or efficient process for the program or the state; the Legislature was notified of the change after the 2018 legislative session. The department, through a series of request for proposals (RFP), decided that an off-the-shelf system would be a better process moving forward and purchased Microsoft Dynamics 365 in August 2018 for \$359,000 for the first three years, and \$310,000 for each year thereafter. The department estimates that 80% of the Dynamics system will remain intact and only 20% will be customized to meet Idaho-specific needs. To implement the Dynamics product, the department solicited for and signed a contract with Deloitte on November 8, 2018, for \$18,995,000. The Deloitte RFP received the highest technical score and second lowest fiscal cost proposal of all submitted vendors. In addition to the Deloitte contract, the department signed a contract with Change and Innovation Agency (CIA) as a business design contractor in September 2018 for \$1,500,000, or \$62,500 per month plus up to \$200,000 for travel, per diem, and lodging during the implementation process, for a total contract amount of \$1,700,000. CIA's role is to help the department identify more efficient and effective business processes to streamline the work of its social workers. The department will refine its business practices at the same time that they integrate the case management system.</p> <p>During the Fall Joint Finance-Appropriations Committee (JFAC) tour, in October 2018, the department presented this information to the joint committee. During that presentation, several members of the committee expressed concerns over the changes made by the department, and members indicated that the changes did not align with what they believed was funded for FY 2019. As a result, the co-chairs of JFAC sent the department a letter expressing these concerns and requesting that the department work with Legislative Services Office (LSO) staff and with the LSO technology consultant, Information Services Group (ISG). On November 5, 2018, legislators, ISG, LSO, department staff, Deloitte, and CIA met to discuss the changes, the contracts, and the vision moving forward. During this meeting, Health and Welfare staff assured those in the room that: they would not need additional IT staff to operate the new system; the Deloitte contract would not be a change-order centric model; the department was confident in the total estimated amount of \$30 million over three years; the data in the current system is ready to transfer; the timeline is solid; and they would be able to cover the ongoing costs from existing appropriations. The existing operating cost is about \$760,000. However, the amount included in the base is closer to \$1 million, and these funds are currently being used for other operating expenditures. The department expects to use the full one million dollars to support the new system once it is operational. Legislators continue to express concerns on the topic and it is anticipated that a special hearing will be needed to update the JFAC members.</p> <p>For FY 2020 the department's request includes \$7,477,900 for the Deloitte contract; \$1,479,700 for contracted IT staff; \$1,167,200 for contracted business support staff; \$860,000 for the CIA contract; \$273,200 for Microsoft Dynamics costs; and \$246,000 for all other costs including training, software, hardware, and indirect costs. The request is being made with 50% from the General Fund and 50% from federal Title IV-E funds. The current projected request for FY 2021 is for \$10,696,000 and includes comparable levels of funding for the same entities identified in the FY 2020 budget request.</p>					
Agency Request	0.00	5,752,000	0	5,752,000	11,504,000
<i>The Governor recommends that the state share be paid from the Technology Infrastructure Stabilization Fund.</i>					
Governor's Recommendation	0.00	0	5,752,000	5,752,000	11,504,000

Child Welfare

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
8. Social Worker Pay Increases					Child Welfare
Child Welfare requests \$237,200 in ongoing personnel costs to increase the salaries of its social worker II positions in the Child Welfare Program. The request would bring 94 current staff members to a minimum of 80% of the state's compensation schedule, or \$23.62 per hour plus benefits. In FY 2018, the turnover rate for this job classification was 21%, which is a 40% increase from FY 2017. According to the department, staff continue to leave for more pay, smaller caseloads, and less stress.					
Unless otherwise appropriated, all new positions added to an agency are appropriated at a minimum of 80% of the compensation schedule; this is true for all social worker positions.					
Agency Request	0.00	118,600	0	118,600	237,200
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	0.00	117,200	0	117,200	234,400
FY 2020 Total					
Agency Request	404.80	29,579,000	797,100	51,931,700	82,307,800
Governor's Recommendation	404.80	23,897,600	6,549,100	52,080,000	82,526,700
Agency Request					
Change from Original App	0.00	6,118,900	(3,900,000)	3,163,400	5,382,300
% Change from Original App	0.0%	26.1%	(83.0%)	6.5%	7.0%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	437,500	1,852,000	3,311,700	5,601,200
% Change from Original App	0.0%	1.9%	39.4%	6.8%	7.3%

Services for the Developmentally Disabled

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Community DD Services	20,492,300	19,354,000	21,852,200	22,036,000	22,138,400
Southwest Idaho Treatment Center	11,053,900	8,853,300	10,930,900	10,343,000	10,279,300
Total:	31,546,200	28,207,300	32,783,100	32,379,000	32,417,700
BY FUND CATEGORY					
General	13,231,800	13,254,300	13,616,700	13,852,500	13,814,700
Dedicated	2,496,500	1,436,600	1,371,300	1,375,400	1,377,700
Federal	15,817,900	13,516,400	17,795,100	17,151,100	17,225,300
Total:	31,546,200	28,207,300	32,783,100	32,379,000	32,417,700
Percent Change:		(10.6%)	16.2%	(1.2%)	(1.1%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	21,441,400	19,371,000	21,553,800	21,290,600	21,433,700
Operating Expenditures	4,796,800	4,035,100	4,816,200	4,670,000	4,593,500
Capital Outlay	74,700	107,500	50,000	55,300	27,400
Trustee/Benefit	5,233,300	4,693,700	6,363,100	6,363,100	6,363,100
Total:	31,546,200	28,207,300	32,783,100	32,379,000	32,417,700
Full-Time Positions (FTP)	307.71	307.71	304.71	304.71	304.71

Division Description

Services for the Developmentally Disabled has two budgeted programs.

COMMUNITY DEVELOPMENTAL DISABILITY SERVICES: The Idaho Developmental Disabilities Services Act authorizes the Department of Health and Welfare to assume the leadership role for planning and arranging community services for children and adults with developmental disabilities; and persons who are disabled prior to age 22 due to environmental, genetic, or health factors. Identification, screening, and eligibility determinations are key responsibilities of the seven regional adult and child developmental programs. Services such as therapy, housing, employment, service coordination, and respite care are contracted to numerous private providers. The regional programs provide monitoring and quality assurance to determine that the consumer has an opportunity for informed choice and that services are implemented in a safe, cost-effective, and efficient manner.

SOUTHWEST IDAHO TREATMENT CENTER (SWITC, formerly the Idaho State School and Hospital or ISSH): As part of the statewide developmental disabilities service delivery system, SWITC (located in Nampa), is a specialized provider of services to the most severely impaired clients in the state. SWITC serves only those clients who have no other placement option due to severe behavior or medical issues.

Services for the Developmentally Disabled

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	304.71	13,616,700	32,783,100	304.71	13,616,700	32,783,100
5. Various Health Federal Grants	0.00	0	(750,000)	0.00	0	(750,000)
FY 2019 Total Appropriation	304.71	13,616,700	32,033,100	304.71	13,616,700	32,033,100
Removal of Onetime Expenditures	0.00	(82,600)	(94,000)	0.00	(82,600)	(94,000)
FY 2020 Base	304.71	13,534,100	31,939,100	304.71	13,534,100	31,939,100
Benefit Costs	0.00	28,500	62,400	0.00	(56,800)	(128,300)
Replacement Items	0.00	131,800	131,800	0.00	27,400	27,400
Statewide Cost Allocation	0.00	27,200	71,300	0.00	27,200	71,300
Change in Employee Compensation	0.00	77,900	174,400	0.00	229,800	508,200
Nondiscretionary Adjustments	0.00	53,000	0	0.00	53,000	0
FY 2020 Total	304.71	13,852,500	32,379,000	304.71	13,814,700	32,417,700
Change from Original Appropriation	0.00	235,800	(404,100)	0.00	198,000	(365,400)
% Change from Original Appropriation		1.7%	(1.2%)		1.5%	(1.1%)

Services for the Developmentally Disabled

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	304.71	13,616,700	1,371,300	17,795,100	32,783,100

5. Various Health Federal Grants

Southwest Idaho Treatment Center

The department requests a program transfer of \$750,000 in federal funds from the Southwest Idaho Treatment Center Program to the Physical Health Services Program for 11 federal grants that have been awarded to the Physical Health Services Program. Grants include funding for opioids, oral health, immunizations, abstinence, physical activity and nutrition, and chronic diseases. Rather than requesting new appropriation, the department was able to identify existing appropriation amounts in several programs that are in excess of estimated needs. As a result, this department-wide request has an overall net-zero impact on the department's federal fund appropriation. The appropriation will increase in the Physical Health Services Program by 6.00 FTP and \$5,850,000. The appropriation will be reduced by \$5,850,000 in five programs and includes \$1,000,000 from Self-Reliance Operations, \$300,000 from Emergency Medical Services, \$3,100,000 from Healthcare Policy Initiatives, \$750,000 from the Southwest Idaho Treatment Center, and \$700,000 from Medicaid Administration.

Agency Request	0.00	0	0	(750,000)	(750,000)
Governor's Recommendation	0.00	0	0	(750,000)	(750,000)

FY 2019 Total Appropriation					
Agency Request	304.71	13,616,700	1,371,300	17,045,100	32,033,100
Governor's Recommendation	304.71	13,616,700	1,371,300	17,045,100	32,033,100

Removal of Onetime Expenditures

This action removes onetime funding that was appropriated for various replacement items at the Southwest Idaho Treatment Center.

Agency Request	0.00	(82,600)	0	(11,400)	(94,000)
Governor's Recommendation	0.00	(82,600)	0	(11,400)	(94,000)

FY 2020 Base					
Agency Request	304.71	13,534,100	1,371,300	17,033,700	31,939,100
Governor's Recommendation	304.71	13,534,100	1,371,300	17,033,700	31,939,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	28,500	1,000	32,900	62,400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(56,800)	(2,300)	(69,200)	(128,300)
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Replacement Items

Southwest Idaho Treatment Center

The Southwest Idaho Treatment Center requests \$131,800 from the General Fund to replace two vehicles and perform alteration and repairs on the campus. These projects include roofing and insulating the detail shop, painting three buildings on campus, upgrading the lighting in three campus buildings, and insulating and heating in the maintenance building to prevent freezing pipes. The vehicles being requested for replacement are a minivan for a passenger van and a sedan for another sedan. The van is a 2001 with 109,225 miles and the sedan is a 2008 with 99,333 miles. The department indicated that these vehicles have been urinated in multiple times and the smell is not removable and to replace the interior parts would cost more than the vehicles are worth.

Agency Request	0.00	131,800	0	0	131,800
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The Governor recommends funding to replace the 2008 sedan.

Governor's Recommendation	0.00	27,400	0	0	27,400
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Services for the Developmentally Disabled

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$56,800.

This request also includes \$14,500 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	27,200	0	44,100	71,300
Governor's Recommendation	0.00	27,200	0	44,100	71,300

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	77,900	3,100	93,400	174,400
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	229,800	8,700	269,700	508,200
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Nondiscretionary Adjustments

This adjustment increases the General Fund appropriation by \$53,000 and decreases a like amount in federal funds to reflect a change in the Title XIX Federal Medical Assistance Percentage (FMAP) rate, which is the federal share of eligible Medicaid payments for the majority of services provided. The rate will change from 71.13% to 70.34% for FY 2020.

Agency Request	0.00	53,000	0	(53,000)	0
Governor's Recommendation	0.00	53,000	0	(53,000)	0

FY 2020 Total

Agency Request	304.71	13,852,500	1,375,400	17,151,100	32,379,000
Governor's Recommendation	304.71	13,814,700	1,377,700	17,225,300	32,417,700

Agency Request

Change from Original App	0.00	235,800	4,100	(644,000)	(404,100)
% Change from Original App	0.0%	1.7%	0.3%	(3.6%)	(1.2%)

Governor's Recommendation

Change from Original App	0.00	198,000	6,400	(569,800)	(365,400)
% Change from Original App	0.0%	1.5%	0.5%	(3.2%)	(1.1%)

Independent Councils

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Developmental Disab. Council	771,000	722,900	765,600	771,200	781,800
Domestic Violence Council	8,312,100	8,056,700	8,316,400	12,322,200	12,330,900
Total:	9,083,100	8,779,600	9,082,000	13,093,400	13,112,700
BY FUND CATEGORY					
General	203,600	203,500	195,700	198,400	200,900
Dedicated	551,600	408,400	555,800	558,000	563,600
Federal	8,327,900	8,167,700	8,330,500	12,337,000	12,348,200
Total:	9,083,100	8,779,600	9,082,000	13,093,400	13,112,700
Percent Change:		(3.3%)	3.4%	44.2%	44.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	875,500	671,100	883,400	893,200	901,800
Operating Expenditures	587,800	448,100	579,800	581,400	592,100
Capital Outlay	1,000	1,800	0	0	0
Trustee/Benefit	7,618,800	7,658,600	7,618,800	11,618,800	11,618,800
Total:	9,083,100	8,779,600	9,082,000	13,093,400	13,112,700
Full-Time Positions (FTP)	10.00	10.00	10.00	10.00	10.00

Division Description

Independent Councils include the Developmental Disabilities Council and the Domestic Violence Council.

DEVELOPMENTAL DISABILITIES COUNCIL: Established to maintain a central point for cooperation and coordination between the public and private sectors, ensuring that those with developmental disabilities receive the services or other assistance necessary to achieve maximum independence, productivity, and integration into the community.

DOMESTIC VIOLENCE COUNCIL: Established to ensure the availability of assistance for victims of crime, with a focus on programs assisting victims of domestic violence, sexual assault, or child abuse. This program is primarily funded with federal funds in addition to a state-imposed fee of \$15 for each marriage license and a state-imposed fee of \$20 for each divorce action.

Independent Councils

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	10.00	195,700	9,082,000	10.00	195,700	9,082,000
Noncognizable Funds and Transfers	0.00	0	4,000,000	0.00	0	4,000,000
FY 2019 Estimated Expenditures	10.00	195,700	13,082,000	10.00	195,700	13,082,000
Removal of Onetime Expenditures	0.00	0	(4,000,000)	0.00	0	(4,000,000)
FY 2020 Base	10.00	195,700	9,082,000	10.00	195,700	9,082,000
Benefit Costs	0.00	400	2,300	0.00	(900)	(4,300)
Statewide Cost Allocation	0.00	800	1,600	0.00	800	1,600
Change in Employee Compensation	0.00	1,500	7,500	0.00	4,700	22,700
FY 2020 Program Maintenance	10.00	198,400	9,093,400	10.00	200,300	9,102,000
33. VOCA Grant	0.00	0	4,000,000	0.00	0	4,000,000
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	4,400
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	600	6,300
FY 2020 Total	10.00	198,400	13,093,400	10.00	200,900	13,112,700
Change from Original Appropriation	0.00	2,700	4,011,400	0.00	5,200	4,030,700
% Change from Original Appropriation		1.4%	44.2%		2.7%	44.4%

Independent Councils

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	10.00	195,700	555,800	8,330,500	9,082,000

Noncognizable Funds and Transfers

Domestic Violence Council

The Domestic Violence Council requested and was approved by the Division of Financial Management on September 27, 2018, for a noncognizable increase of \$4,000,000 in federal funds. The funds were approved to account for increased distributions from the Victims of Crime Act (VOCA) Fund. A corresponding line item for the same amount is being requested as ongoing.

Agency Request	0.00	0	0	4,000,000	4,000,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>4,000,000</i>	<i>4,000,000</i>

FY 2019 Estimated Expenditures

Agency Request	10.00	195,700	555,800	12,330,500	13,082,000
<i>Governor's Recommendation</i>	<i>10.00</i>	<i>195,700</i>	<i>555,800</i>	<i>12,330,500</i>	<i>13,082,000</i>

Removal of Onetime Expenditures

This action removes the \$4,000,000 of federal funds that were approved by the Division of Financial Management as a noncognizable increase for the Domestic Violence Council.

Agency Request	0.00	0	0	(4,000,000)	(4,000,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>(4,000,000)</i>	<i>(4,000,000)</i>

FY 2020 Base

Agency Request	10.00	195,700	555,800	8,330,500	9,082,000
<i>Governor's Recommendation</i>	<i>10.00</i>	<i>195,700</i>	<i>555,800</i>	<i>8,330,500</i>	<i>9,082,000</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	400	500	1,400	2,300
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(900)</i>	<i>(100)</i>	<i>(3,300)</i>	<i>(4,300)</i>
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Statewide Cost Allocation

Domestic Violence Council

This request includes \$1,600 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	800	0	800	1,600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>800</i>	<i>0</i>	<i>800</i>	<i>1,600</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	1,500	1,700	4,300	7,500
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees in the Developmental Disabilities Council be moved by 2% and includes \$500 for that purpose.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>4,700</i>	<i>5,100</i>	<i>12,900</i>	<i>22,700</i>
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Independent Councils

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	10.00	198,400	558,000	8,337,000	9,093,400
Governor's Recommendation	10.00	200,300	560,800	8,340,900	9,102,000
33. VOCA Grant			Domestic Violence Council		
The Domestic Violence Council requests \$4,000,000 in ongoing trustee and benefit payments from federal funds for increased distributions from the Victims of Crime Act (VOCA) Fund. The federal FY 2017 award was for \$9,687,400, the award for federal FY 2018 was \$17,703,100, and the estimated award for federal FY 2019 is for \$16,000,000. The council has about five years to expend the complete grant. Currently the VOCA funding for the council is \$6,560,400. This request will allow for increased distributions to the 40 providers throughout the state for increased or enhanced services for the eligible crime victims.					
Agency Request	0.00	0	0	4,000,000	4,000,000
Governor's Recommendation	0.00	0	0	4,000,000	4,000,000
GOV TECH 2. Mobile Device Security			DV Council and DD Council		
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding to provide security of state information that is used on mobile technology.					
Governor's Recommendation	0.00	0	1,400	3,000	4,400
GOV TECH 4. Modernization – Admin Billing			DV Council and DD Council		
Agency Request	0.00	0	0	0	0
The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.					
Governor's Recommendation	0.00	600	1,400	4,300	6,300
FY 2020 Total					
Agency Request	10.00	198,400	558,000	12,337,000	13,093,400
Governor's Recommendation	10.00	200,900	563,600	12,348,200	13,112,700
Agency Request					
Change from Original App	0.00	2,700	2,200	4,006,500	4,011,400
% Change from Original App	0.0%	1.4%	0.4%	48.1%	44.2%
Governor's Recommendation					
Change from Original App	0.00	5,200	7,800	4,017,700	4,030,700
% Change from Original App	0.0%	2.7%	1.4%	48.2%	44.4%

Indirect Support Services

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	18,640,700	17,679,300	19,508,700	21,038,900	20,726,900
Dedicated	3,252,100	3,775,400	4,072,400	3,435,400	3,601,400
Federal	24,488,900	22,111,200	25,139,100	25,669,200	25,559,500
Total:	46,381,700	43,565,900	48,720,200	50,143,500	49,887,800
Percent Change:		(6.1%)	11.8%	2.9%	2.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	26,603,000	24,175,700	27,107,500	27,425,100	27,686,600
Operating Expenditures	16,402,500	15,487,300	19,824,300	19,870,000	20,000,500
Capital Outlay	3,376,200	3,902,900	1,788,400	2,848,400	2,200,700
Total:	46,381,700	43,565,900	48,720,200	50,143,500	49,887,800
Full-Time Positions (FTP)	295.60	295.60	299.60	300.60	300.60

Division Description

Indirect Support Services provides administrative functions for the Department of Health and Welfare:

- The Office of the Director provides central policy direction;
- The Office of Legal Services provides legal advice, monitoring, and litigation services;
- Financial Services manages the budget and cash flow, controls the accounting and reporting process, performs internal reviews, and processes all personnel actions;
- The Division of Information Systems plans and operates all data processing and IT activities;
- The Division of Operational Services manages physical assets, contracts, and purchasing; and provides human resource functions, which include civil rights, workforce development, recruitment, process and system research, and employee relations; and
- The Bureau of Audits and Investigations provides support to the department's public assistance programs through the following units: Criminal History; Internal Audit; Fraud Analysis; Medicaid Program Integrity; and Welfare Fraud Investigations.

Indirect Support Services

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	299.60	19,508,700	48,720,200	299.60	19,508,700	48,720,200
Noncognizable Funds and Transfers	1.00	(10,500)	(10,500)	1.00	(10,500)	(10,500)
FY 2019 Estimated Expenditures	300.60	19,498,200	48,709,700	300.60	19,498,200	48,709,700
Removal of Onetime Expenditures	0.00	(815,600)	(3,295,800)	0.00	(815,600)	(3,295,800)
Base Adjustments	0.00	10,500	10,500	0.00	10,500	10,500
FY 2020 Base	300.60	18,693,100	45,424,400	300.60	18,693,100	45,424,400
Benefit Costs	0.00	33,100	82,200	0.00	(49,200)	(122,000)
Replacement Items	0.00	1,523,600	3,042,400	0.00	1,106,200	2,269,700
Statewide Cost Allocation	0.00	349,000	668,600	0.00	349,000	668,600
Change in Employee Compensation	0.00	94,900	235,400	0.00	282,600	701,100
FY 2020 Program Maintenance	300.60	20,693,700	49,453,000	300.60	20,381,700	48,941,800
5. Workplace Safety Improvements	0.00	345,200	690,500	0.00	345,200	690,500
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	255,500
FY 2020 Total	300.60	21,038,900	50,143,500	300.60	20,726,900	49,887,800
Change from Original Appropriation	1.00	1,530,200	1,423,300	1.00	1,218,200	1,167,600
% Change from Original Appropriation		7.8%	2.9%		6.2%	2.4%

Indirect Support Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	299.60	19,508,700	4,072,400	25,139,100	48,720,200

Noncognizable Funds and Transfers

This action transfers 1.00 vacant and unfunded FTP from Self-Reliance Operations to the Indirect Support Services Program. It also transfers \$10,500 onetime from General Fund personnel costs to the Suicide Prevention and Awareness Program to cover a personnel cost shortfall.

Agency Request	1.00	(10,500)	0	0	(10,500)
Governor's Recommendation	1.00	(10,500)	0	0	(10,500)

FY 2019 Estimated Expenditures

Agency Request	300.60	19,498,200	4,072,400	25,139,100	48,709,700
Governor's Recommendation	300.60	19,498,200	4,072,400	25,139,100	48,709,700

Removal of Onetime Expenditures

This action removes onetime funding that was appropriated for replacement items, alteration and repair projects, and line items.

Agency Request	0.00	(815,600)	(658,600)	(1,821,600)	(3,295,800)
Governor's Recommendation	0.00	(815,600)	(658,600)	(1,821,600)	(3,295,800)

Base Adjustments

This adjustment restores \$10,500 in General Fund personnel costs that were transferred to the Suicide Prevention and Awareness Program.

Agency Request	0.00	10,500	0	0	10,500
Governor's Recommendation	0.00	10,500	0	0	10,500

FY 2020 Base

Agency Request	300.60	18,693,100	3,413,800	23,317,500	45,424,400
Governor's Recommendation	300.60	18,693,100	3,413,800	23,317,500	45,424,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	33,100	5,600	43,500	82,200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(49,200)	(8,300)	(64,500)	(122,000)
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Replacement Items

The department requests \$3,042,400 for replacement items and alteration and repair projects. This includes \$141,500 for alteration and repair projects for buildings in regions two, five, and six; \$1,842,700 to replace 73 vehicles; \$358,000 to replace two Cisco firewall clusters; and \$700,200 for employee workstations, laptops, and monitors. Alteration and repair projects include sidewalks, water supply lines, sprinkler systems, exterior doors, HVAC, painting, and refrigerated drinking fountains. Vehicles being replaced range from 2003 to 2009 and have miles that range from 119,335 to 155,212. The department also received a recommendation for \$2,698,500 in alteration and repair project funding through the Permanent Building Fund Advisory Council. The recommendation included 23 of the 26 requested projects and 73% of the requested funding.

Agency Request	0.00	1,523,600	0	1,518,800	3,042,400
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The Governor recommends half of the requested funding for facility alteration and repairs; full requested funding for vehicle replacements; full funding for the Cisco firewall clusters; and zero funding for staff desktops, laptops, and monitors.

Governor's Recommendation	0.00	1,106,200	0	1,163,500	2,269,700
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Indirect Support Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$91,100, risk management costs will increase by \$93,500, State Controller fees will increase by \$179,600, and State Treasurer fees will increase by \$31,300, for a net increase of \$395,500.

This request also includes \$273,100 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	349,000	0	319,600	668,600
Governor's Recommendation	0.00	349,000	0	319,600	668,600

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	94,900	16,000	124,500	235,400
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	282,600	47,700	370,800	701,100
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FY 2020 Program Maintenance

Agency Request	300.60	20,693,700	3,435,400	25,323,900	49,453,000
Governor's Recommendation	300.60	20,381,700	3,453,200	25,106,900	48,941,800

5. Workplace Safety Improvements

Indirect Support Services requests \$690,500 with \$345,200 from the General Fund and \$345,300 in federal funds for workplace safety improvements. Of the request, \$386,900 is for onetime needs in FY 2020 and the remainder is ongoing. For FY 2019, existing funding will be used to focus on the development and standardization of safety protocols, business process improvements, and employee training. The request for FY 2020 is for workplace safety and security, which includes security upgrades, such as installing panic buttons, security mirrors, signage, lighting, and door locks; contracting for security officers; installing interior and exterior video cameras, and purchasing personal GPS emergency call devices for community workers in remote areas. The request for FY 2021 will concentrate on architecting and implementing an enterprise-level security solution for doors at the various department facilities to control access to building entrances, exits, and secure interior areas; funding for year three will be included in the FY 2021 budget request.

Agency Request	0.00	345,200	0	345,300	690,500
Governor's Recommendation	0.00	345,200	0	345,300	690,500

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	148,200	107,300	255,500
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FY 2020 Total

Agency Request	300.60	21,038,900	3,435,400	25,669,200	50,143,500
Governor's Recommendation	300.60	20,726,900	3,601,400	25,559,500	49,887,800

Indirect Support Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	1.00	1,530,200	(637,000)	530,100	1,423,300
% Change from Original App	0.3%	7.8%	(15.6%)	2.1%	2.9%
Governor's Recommendation					
Change from Original App	1.00	1,218,200	(471,000)	420,400	1,167,600
% Change from Original App	0.3%	6.2%	(11.6%)	1.7%	2.4%

Division of Medicaid

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Medicaid Admin & Medical Mgmt	72,400,400	62,917,100	79,004,300	85,842,500	81,352,200
Coordinated Medicaid Plan	565,879,400	616,002,700	588,094,800	618,926,400	618,530,400
Enhanced Medicaid Plan	960,304,900	973,493,100	1,051,186,300	1,135,488,600	1,128,989,400
Basic Medicaid Plan	745,020,800	664,495,100	731,165,100	780,006,200	776,750,200
Expansion Medicaid Plan	0	0	0	0	197,636,700
Total:	2,343,605,500	2,316,908,000	2,449,450,500	2,620,263,700	2,803,258,900
BY FUND CATEGORY					
General	548,992,600	548,824,900	585,221,400	680,983,900	684,430,500
Dedicated	312,174,000	303,829,000	303,789,500	242,620,300	254,678,900
Federal	1,482,438,900	1,464,254,100	1,560,439,600	1,696,659,500	1,864,149,500
Total:	2,343,605,500	2,316,908,000	2,449,450,500	2,620,263,700	2,803,258,900
Percent Change:		(1.1%)	5.7%	7.0%	14.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	16,286,500	15,997,900	16,420,700	17,070,500	16,934,000
Operating Expenditures	54,186,700	45,844,500	60,656,400	66,844,800	62,491,000
Capital Outlay	0	18,000	0	0	0
Trustee/Benefit	2,273,132,300	2,255,047,600	2,372,373,400	2,536,348,400	2,723,833,900
Total:	2,343,605,500	2,316,908,000	2,449,450,500	2,620,263,700	2,803,258,900
Full-Time Positions (FTP)	216.00	216.00	216.00	221.00	219.00

Division Description

The Division of Medicaid is responsible for administering plans to finance and deliver health services for people at risk due to low income and other factors, such as youth, old age, pregnancy, or disability. Services are provided pursuant to state and federal Medicaid requirements. The division is organized into four budgeted programs.

MEDICAID ADMINISTRATION and MEDICAL MANAGEMENT: Includes expenditures for administration of a comprehensive program of medical coverage to eligible recipients in Idaho. Coverage is provided through traditional Medicaid (Title XIX), and the Children's Health Insurance Program (CHIP) (Title XXI). Administrative functions include managing provider payments, contracting with state agencies and universities for medical management, and conducting drug utilization reviews and individual assessments. Prior to FY 2007, all Medicaid expenditures were reported under the Medical Assistance Services Program. The program has been renamed Medicaid Administration and Medical Management.

COORDINATED MEDICAID PLAN: Beneficiaries covered in this plan primarily consist of those who are age 65 and older. All individuals dually eligible for Medicaid and Medicare, regardless of age, may elect to receive coverage under this plan.

ENHANCED MEDICAID PLAN: Medicaid-eligible group primarily made up of children and adults (non-elderly) with disabilities, or other individuals with special health needs, such as foster children. Individuals included in this plan, may elect to remain in this plan after they turn 65 years old.

BASIC MEDICAID PLAN: Medicaid-eligible group primarily consisting of Pregnant Women and Children (PWC), Family Medicaid and Idaho's Children Health Insurance Program (CHIP). These populations are assumed to be in average health, with average levels of disease.

Division of Medicaid

Agency Profile

Analyst: Tatro

Medicaid Plans: Caseloads and Trustee and Benefit Payments (All Funds)

	FY 2018 Expenditures		FY 2019 Orig Approp		FY 2020 Request	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Basic Plan						
Caseload	215,400	73.8%	206,523	73.2%	210,854	73.4%
Budget	\$664,495,100	29.5%	\$731,165,100	30.8%	\$790,491,100	30.9%
Average Case	\$3,085		\$3,540		\$3,749	
Enhanced Plan						
Caseload	48,800	16.7%	47,619	16.9%	47,748	16.6%
Budget	\$973,493,100	43.2%	\$1,051,186,300	44.3%	\$1,135,038,100	44.4%
Average Case	\$19,949		\$22,075		\$23,771	
Coordinated Plan						
Caseload	27,531	9.4%	28,078	9.9%	28,756	10.0%
Budget	\$616,002,700	27.3%	\$588,094,800	24.8%	\$632,601,500	24.7%
Average Case	\$22,375		\$20,945		\$21,999	
Total						
Caseload	291,731	100%	282,220	100%	287,358	100%
Budget	\$2,253,990,900	100%	\$2,370,446,200	100%	\$2,558,130,700	100%
Average Case	\$7,726		\$8,399		\$8,902	

The table below is based on paid claims. Differences between the two tables are composed of the payments for Disproportionate Share Hospital (DSH), and Upper Payment Limits (UPL), and other non-claims specific contracts.

FY 2016, FY 2017, and FY 2018, Medicaid Claims Expenditures by Service Grouping and by Per Member Per Month (PMPM) for the Top 13 Groupings

	FY 2016	PMPM	FY 2017*	PMPM	FY 2018*	PMPM
Hospital	\$458,100,209	\$132	\$498,656,754	\$138	\$528,902,579	\$151
Developmental Disability Services	\$249,037,987	\$72	\$268,685,668	\$74	\$290,011,699	\$83
Medical (Non-Hospital)	\$213,253,357	\$62	\$233,487,588	\$65	\$238,816,903	\$68
Institutional Care	\$203,412,028	\$59	\$209,567,067	\$58	\$217,644,419	\$62
Prescriptions	\$196,749,180	\$57	\$208,032,544	\$58	\$205,841,018	\$59
Mental Health	\$151,254,983	\$44	\$151,459,922	\$42	\$134,244,014	\$38
Medicare Related	\$118,941,771	\$34	\$135,964,731	\$38	\$140,376,429	\$40
Long Term Services & Supports	\$114,887,468	\$33	\$120,651,091	\$33	\$130,322,893	\$37
Dental Services	\$50,250,994	\$15	\$49,707,527	\$14	\$45,515,750	\$13
School Based Services	\$39,633,757	\$11	\$36,456,200	\$10	\$41,098,803	\$12
Durable Medical Equipment	\$35,118,558	\$10	\$35,586,080	\$10	\$35,357,557	\$10
Medical Transportation	\$31,423,365	\$9	\$32,274,972	\$9	\$29,978,662	\$9
Health Service Professionals	\$24,752,059	\$7	\$27,103,194	\$8	\$29,082,814	\$8
Total	\$1,886,815,716	\$545	\$2,007,633,338	\$556	\$2,067,193,540	\$590

* Medicaid held \$56,329,200 in payments in FY 2017. These expenditures appeared in FY 2018. Medicaid also held \$9,307,400 in payments in FY 2018. These expenditures will appear in FY 2019.

Division of Medicaid

Comparative Summary

Analyst: Tatro

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	216.00	585,221,400	2,449,450,500	216.00	585,221,400	2,449,450,500
1. FY 2018 Medicaid Held Payments	0.00	5,075,500	9,307,400	0.00	0	9,307,400
2. MMIS Contract Extensions	0.00	580,400	2,321,600	0.00	580,400	2,321,600
3. Hospital Cost Audit Fund Adjustment	0.00	16,556,100	0	0.00	16,556,100	0
5. Various Health Federal Grants	0.00	0	(700,000)	0.00	0	(700,000)
7. Increase in Utilization of Services	0.00	18,905,400	32,502,600	0.00	14,850,200	32,502,600
FY 2019 Total Appropriation	216.00	626,338,800	2,492,882,100	216.00	617,208,100	2,492,882,100
Removal of Onetime Expenditures	0.00	(5,075,500)	(16,499,400)	0.00	0	(20,554,600)
FY 2020 Base	216.00	621,263,300	2,476,382,700	216.00	617,208,100	2,472,327,500
Benefit Costs	0.00	20,900	53,200	0.00	(35,900)	(91,300)
Statewide Cost Allocation	0.00	9,800	19,800	0.00	9,800	19,800
Change in Employee Compensation	0.00	55,200	140,500	0.00	163,800	417,000
Nondiscretionary Adjustments	0.00	52,697,400	108,354,700	0.00	54,866,500	112,409,900
FY 2020 Program Maintenance	216.00	674,046,600	2,584,950,900	216.00	672,212,300	2,585,082,900
6. Children's DD Services Process Change	0.00	820,800	2,860,000	0.00	820,800	2,860,000
9. MMIS Independent Verification	0.00	100,000	1,000,000	0.00	100,000	1,000,000
15. Medicaid Accountant Contract Rebid	0.00	157,000	314,000	0.00	0	0
18. Jeff D Settlement New Staff	3.00	127,300	254,600	0.00	0	0
19. Health Data Exchange Connections	0.00	592,500	5,924,600	0.00	0	5,332,100
21. NEMT Rate Increase	0.00	2,030,400	6,892,200	0.00	2,030,400	7,973,300
23. Case Management Module	0.00	610,000	4,000,000	0.00	0	0
25. Dental Provider Rate Increase	0.00	1,296,400	4,400,000	0.00	0	0
26. DD Provider Rate Increase	0.00	1,126,900	3,825,000	0.00	0	0
27. School Based Services Rate Increase	0.00	0	5,628,900	0.00	0	3,702,700
28. Children's DD Services New Position	1.00	37,200	74,400	0.00	0	0
29. Medicaid Pharmacist	1.00	38,800	139,100	0.00	0	0
34. Children's Behavioral Health Services	0.00	0	0	0.00	0	0
35. Requested Transfer Language	0.00	0	0	0.00	0	0
36. Medicaid Expansion	0.00	0	0	3.00	9,267,000	197,307,900
FY 2020 Total	221.00	680,983,900	2,620,263,700	219.00	684,430,500	2,803,258,900
Change from Original Appropriation	5.00	95,762,500	170,813,200	3.00	99,209,100	353,808,400
% Change from Original Appropriation		16.4%	7.0%		17.0%	14.4%

Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	216.00	585,221,400	303,789,500	1,560,439,600	2,449,450,500

1. FY 2018 Medicaid Held Payments

Coordinated Medicaid Plan

The Division of Medicaid requests a onetime supplemental appropriation for \$9,307,400 to cover the costs of claims that were not paid at the end of FY 2018. Similar to FY 2017, the division exhausted its General Fund appropriation for Medicaid claims payments and held those bills until the start of this fiscal year. The division was able to pay all bills except those related to premiums, copayments, and deductibles for Idahoans that are dually eligible for Medicaid and Medicare. Of the total, \$182,800 is for Medicare Part A; \$736,200 for Medicare Part B non-cash assistance; \$5,095,100 for Medicare Part B supplemental medical insurance; \$475,600 for Medicare Part B qualified individuals; and \$2,817,700 for Medicare Part D related costs. There are no financial penalties with the federal government as these payments are required to be paid by July 15 of each year.

Agency Request	0.00	5,075,500	0	4,231,900	9,307,400
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The Governor recommends that the state share be paid from the Idaho Millennium Income Fund.

Governor's Recommendation	0.00	0	5,075,500	4,231,900	9,307,400
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2. MMIS Contract Extensions

Medicaid Administration and Medical Mgmt

The Division of Medicaid requests \$2,321,600 to fund recently completed contract extensions for the Medicaid Management Information System (MMIS). This includes claims processing, electronic document management, data analysis, and pharmacy benefit management. Contracts were extended with assistance from the federal Centers for Medicare and Medicaid Services (CMS) and the Idaho Division of Purchasing to allow for the procurement to occur in stages, rather than for all portions to be replaced at the same time, as was done in 2011. The pharmacy portion of the MMIS is the first scheduled procurement, and an RFP issuance is tentatively scheduled for FY 2021.

In the FY 2019 Legislative Budget Book, it stated that the contracts would expire in January 2018 (pharmacy) and June 2018 (all others). Both CMS and the Idaho Division of Purchasing have supported contract extensions for an additional eight years.

Agency Request	0.00	580,400	0	1,741,200	2,321,600
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Governor's Recommendation	0.00	580,400	0	1,741,200	2,321,600
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3. Hospital Cost Audit Fund Adjustment

Enhanced Medicaid Plan

The Division of Medicaid requests a net-zero shift in the appropriation for trustee and benefit payments to realign the appropriation for hospital costs. This supplemental appropriation request is for a shift of \$56,766,000 from dedicated receipt funds with \$16,556,100 being shifted back to the General Fund and \$40,209,900 being shifted back to federal funds. The shift is the result of the Division of Medicaid being current on its hospital cost-settlement audits. For FY 2015, FY 2016, and FY 2017 the division requested and was appropriated an additional \$120 million in receipt authority to account for the catch-up on hospital cost audits. This was important because hospitals are paid based on their allowable costs, or a percentage of their costs for services provided. During this time the state saved about \$35 million from the General Fund. The costs associated with hospitals is still increasing, but the fund source needed to pay the claims will need to shift back to the General Fund and federal funds now that the audit process is current.

Agency Request	0.00	16,556,100	(56,766,000)	40,209,900	0
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Governor's Recommendation	0.00	16,556,100	(56,766,000)	40,209,900	0
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Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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5. Various Health Federal Grants

Medicaid Administration and Medical Mgmt

The department requests a program transfer of \$700,000 in federal funds from the Medicaid Administration and Medical Management Program to the Physical Health Services Program for 11 federal grants that have been awarded to the Physical Health Services Program. Grants include funding for opioids, oral health, immunizations, abstinence, physical activity and nutrition, and chronic diseases. Rather than requesting new appropriation, the department was able to identify existing appropriation amounts in several programs that are in excess of estimated needs. As a result, this department-wide request has an overall net-zero impact on the department's federal fund appropriation. The appropriation will increase in the Physical Health Services Program by 6.00 FTP and \$5,850,000. The appropriation will be reduced by \$5,850,000 in five programs and includes \$1,000,000 from Self-Reliance Operations, \$300,000 from Emergency Medical Services, \$3,100,000 from Healthcare Policy Initiatives, \$750,000 from the Southwest Idaho Treatment Center, and \$700,000 from Medicaid Administration.

Agency Request	0.00	0	0	(700,000)	(700,000)
Governor's Recommendation	0.00	0	0	(700,000)	(700,000)

7. Increase in Utilization of Services

Enhanced Medicaid Plan

The Division of Medicaid requests an additional \$32,505,600 in ongoing trustee and benefit payments to account for the estimated increase in service utilization. In FY 2017 and FY 2018, the division exhausted its General Fund appropriation and had to hold bills until the next fiscal year. Currently, the division is forecasting another shortfall and is requesting a supplemental appropriation to bring its request in line with its forecast. The request is not being made at the composite federal Medicaid match (FMAP) because the division has excess federal fund appropriation that it will be able to use in lieu of new appropriation.

Agency Request	0.00	18,905,400	0	13,597,200	32,502,600
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The Governor recommends \$4,055,200 onetime from the Millennium Income Fund be used to cover a portion of the state's ongoing share in FY 2019.

Governor's Recommendation	0.00	14,850,200	4,055,200	13,597,200	32,502,600
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FY 2019 Total Appropriation

Agency Request	216.00	626,338,800	247,023,500	1,619,519,800	2,492,882,100
Governor's Recommendation	216.00	617,208,100	256,154,200	1,619,519,800	2,492,882,100

Removal of Onetime Expenditures

This action removes \$9,307,400 of onetime appropriation for claims payments that were not paid at the end of FY 2018 and \$7,192,000 for line items for provider enrollment changes, provider-data software improvements, and Medicaid Management Information System (MMIS) independent verification.

Agency Request	0.00	(5,075,500)	(719,200)	(10,704,700)	(16,499,400)
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The Governor recommends the removal of all onetime appropriation.

Governor's Recommendation	0.00	0	(9,849,900)	(10,704,700)	(20,554,600)
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FY 2020 Base

Agency Request	216.00	621,263,300	246,304,300	1,608,815,100	2,476,382,700
Governor's Recommendation	216.00	617,208,100	246,304,300	1,608,815,100	2,472,327,500

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	20,900	0	32,300	53,200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(35,900)	0	(55,400)	(91,300)
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Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$11,000.

This request also includes \$8,800 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	9,800	0	10,000	19,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>9,800</i>	<i>0</i>	<i>10,000</i>	<i>19,800</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	55,200	0	85,300	140,500
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>163,800</i>	<i>0</i>	<i>253,200</i>	<i>417,000</i>
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Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Nondiscretionary Adjustments

The Division of Medicaid requests \$108,354,700 from all funds in the following nondiscretionary adjustments. This includes an increase of \$52,697,400 from the General Fund, a decrease of \$5,342,400 in dedicated funds, and an increase of \$60,999,700 in federal funds.

COST-BASED PRICING: Increases of \$9,416,300 from the General Fund and \$23,983,100 in federal funds. Medicaid reimburses certain entities such as hospitals, nursing facilities, home health, and prescription drug companies for the cost of providing the good or service. Other providers are often paid based on the established Medicaid approved rate. Cost-surveys are conducted frequently to ensure that the reimbursement amount is accurate.

MANDATORY PRICING: Increases of \$83,700 from the General Fund and \$213,200 in federal funds. Mandatory pricing relates to Medicaid being required to pay for services at a federally designated rate; this includes Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), and Indian Health Clinics (IHC).

CASELOAD: Increases of \$4,703,100 from the General Fund and \$11,978,700 in federal funds. Caseload is the number of estimated new Idahoans eligible for Medicaid services. Caseload is expected to increase from 284,532 in FY 2019 to 289,810 in FY 2020.

UTILIZATION: Increases of \$6,813,300 from the General Fund and \$17,353,300 in federal funds. Utilization is the estimated change for the use of services provided in Medicaid.

DEDICATED RECEIPTS: Decrease of \$5,534,000 in dedicated funds and offsetting increases of \$1,661,500 from the General Fund and \$3,872,500 in federal funds. Dedicated receipts come from hospital cost settlements, pharmaceutical rebates, and other refunds and reimbursements.

FMAP ADJUSTMENT: An increase of \$13,219,100 from the General Fund and a decrease of a like amount in federal funds to reflect a decrease in the blended Federal Medical Assistance Percentage (FMAP) rate, which is the federal share of eligible Medicaid payments for the majority of services provided. The rate will change from 71.13% to 70.34% for FY 2020.

CHIP FMAP ADJUSTMENT: The request also shifts \$6,840,800 from federal funds with \$6,649,200 added to the General Fund and \$191,600 added to dedicated funds for changes in the FMAP rate for the CHIP Program. CHIP has been funded 100% from federal funds for the past few years, but with passage of the federal Bipartisan Budget Act of 2018, the match rate for CHIP changed from 100% to 93.5% in federal fiscal year 2020 and will change to 82% for federal fiscal year 2021.

53RD CLAIMS PAYMENT CYCLE: A onetime increase of \$10,151,200 from the General Fund and a onetime increase of \$23,658,800 in federal funds. Because the calendar year is actually divisible by 52.1786 weekly pay periods (and not 52), every five or six years there are 53 weekly periods.

Agency Request	0.00	52,697,400	(5,342,400)	60,999,700	108,354,700
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Because the Governor recommends using the Idaho Millennium Income Fund on a onetime basis for ongoing needs in FY 2019 as discussed in Supplemental request 7, the Governor recommends an increase to the nondiscretionary adjustments with an additional \$1,886,100 from the Idaho Millennium Income Fund, and an additional \$2,169,100 from the General Fund.

Governor's Recommendation	0.00	54,866,500	(3,456,300)	60,999,700	112,409,900
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FY 2020 Program Maintenance					
Agency Request	216.00	674,046,600	240,961,900	1,669,942,400	2,584,950,900
Governor's Recommendation	216.00	672,212,300	242,848,000	1,670,022,600	2,585,082,900

Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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6. Children's DD Services Process Change

Medicaid Administration & Enhanced Medicaid Plan

The Division of Medicaid requests \$2,860,000 to improve services for children with autism and other intellectual or developmental disabilities. The request includes \$488,400 in ongoing operating expenditures and \$2,371,600 in ongoing trustee and benefit payments. The operating expenditures are being requested at 75% federal, whereas the trustee and benefit payments are requested at the blended Federal Medical Assistance Percentage (FMAP) rate of 70.34% federal. This request is being made in accordance with federal 42 U.S.C. 1396d as enacted in 2014. For the past few years Medicaid has provided these benefits through a Medicaid waiver, which is scheduled to end in July 2019. This request will allow Medicaid to continue to provide these services as part of the state plan. There are currently 157 professionals that can provide these services statewide. According to the department, the estimated cost per eligible provider is \$92,560 annually, but the reimbursement rate is \$62,348 annually. The department estimates that about half of the 157 providers will reach their max hours per week, which is reflected in the request for \$2,371,600 in trustee and benefit payments. If all 157 providers reached the maximum amount, then the request would be \$4,743,284, and the department anticipates this growth over time, and those increases will be included in the nondiscretionary portion of the budget in future years. The request would increase the rate of pay for each 15 minute increment from \$11.99 per hour to \$17.80 per hour. The operating expenditures would be for a contract to conduct plan reviews. Reviews will include an initial review that will cost \$43.08 each. There are two subsequent reviews that will occur every 120 days at a cost of \$35.29 per review.

If line item 26, a rate increase for developmental disability providers, is not approved this request can be reduced to \$2,582,500 with all reductions in trustee and benefit payments.

Agency Request	0.00	820,800	0	2,039,200	2,860,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>820,800</i>	<i>0</i>	<i>2,039,200</i>	<i>2,860,000</i>

9. MMIS Independent Verification

Medicaid Administration and Medical Mgmt

The Division of Medicaid requests \$1,000,000 in ongoing appropriation for an independent verification and validation (IVV) vendor. The IVV will provide an independent and unbiased perspective on the progress of the Medicaid Management and Information System (MMIS) development and the integrity and functionality of the system. According to 45 CFR, Section 95.626(a), an assessment for IVV analysis of a state's system development effort may be required in the case of Advanced Planning Documents (APD) that meet any of specified criteria. The department indicates that this independent verification is needed because CFR subsection 3 indicates the need for the IVV with a new project or total system redesign. The department needs to have this independent validation done for the re-procurement of the state's MMIS. The MMIS consists of multiple modules including pharmacy benefit management, claims processing, decision support system, and data warehouse. The MMIS procurement process for the four main components is tentatively scheduled to begin December 2020 with the reprocurement of the pharmacy system. The final stage is tentatively scheduled to begin in December 2025 with the data warehouse portion.

Medicaid was appropriated \$2 million for FY 2019 for the same purpose, but the RFP was delayed because of competing priorities and a need to reallocate staff to support the reprocurement process; the contract is expected to be awarded before June, 2019. The department indicates that they will either encumber or revert any unspent funds at the end of FY 2019.

Agency Request	0.00	100,000	0	900,000	1,000,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>100,000</i>	<i>0</i>	<i>900,000</i>	<i>1,000,000</i>

15. Medicaid Accountant Contract Rebid

Medicaid Administration and Medical Mgmt

The Division of Medicaid requests \$314,000 to increase the current contract for accounting services by 10%. The request is being made with 50% federal funds and 50% from the General Fund. Medicaid uses a certified public accounting firm to provide professional accounting, consulting, data management, and analysis services to the division's health care programs. This request is an estimate of what the contract increase will be; contract negotiations will still need to occur, and a FY 2020 supplemental request is possible.

Agency Request	0.00	157,000	0	157,000	314,000
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Not recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
18. Jeff D Settlement New Staff	Medicaid Administration and Medical Mgmt				
The Division of Medicaid requests 3.00 FTP and \$254,600 for three additional positions for work related to the Jeff D Settlement Agreement. The request includes \$247,400 in ongoing personnel costs and \$7,200 in onetime operating expenditures. These positions would be used to support the settlement agreement and to develop and implement the 20 new services and supports being offered as part of the agreement. These positions include a project manager, a contract monitor, and a business analyst. The project manager will oversee various staff and work directly with the bureau chief. The contract monitor position will oversee the various contracts related to the Jeff D settlement. The business analyst will work to implement the terms and conditions of the settlement. All of the related work is currently being handled by other Medicaid personnel and this request would allow current staff to focus on their other assigned duties.					
Agency Request	3.00	127,300	0	127,300	254,600
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
19. Health Data Exchange Connections	Medicaid Administration and Medical Mgmt				
The Division of Medicaid requests \$5,924,600 in onetime operating expenditures to connect providers to the Idaho Health Data Exchange (IHDE) and improve the capabilities of the IHDE. Medicaid relies on the IHDE for data on Medicaid providers and services monitoring. For the past several years, Idaho has appropriated millions of dollars to connect providers to the IHDE and to transition providers from paper-based records to electronic medical records. This request would allow 60-70 primary care clinics and 20-25 hospitals to connect to the IHDE, which will provide Medicaid with clinical information related to the quality of care to improve outcomes for Medicaid participants.					
Agency Request	0.00	592,500	0	5,332,100	5,924,600
<i>The Governor does not recommend funding from the General Fund and recommends that the department use existing appropriation to the extent possible for the state matching funds.</i>					
Governor's Recommendation	0.00	0	0	5,332,100	5,332,100
21. NEMT Rate Increase	Enhanced and Expansion Medicaid Plans				
The Division of Medicaid requests \$6,892,200 to increase the provider rates for non-emergency medical transportation (NEMT) by 28%, and the contractual administration fee of 20%. This request is being made as a result of language added to the FY 2019 appropriation bill for Medicaid. If approved, a contract amendment with the current broker, Medical Transportation Management Inc., (MTM), will need to occur with the assistance of the state's Division of Purchasing. When the request was being developed, the department contracted with Milliman Inc., an actuarial firm, to develop rate options related to the review. Milliman presented four options to the department for consideration and the department selected the fourth or lowest recommended option of a 28% provider rate increase. This option also included a 15% reduction in the administrative portion, which is being reduced to 17% from 20%. These providers have not received a significant rate increase since 2007. In addition, the Division of Medicaid has indicated that it will also couple this funding with other contract amendments to support a goal of zero missed trips, and for a system that fully supports participants with special health needs. The NEMT program is a required program to ensure necessary transportation is made available for the Medicaid beneficiaries to get to and from health providers. States can manage the authorization of NEMT coverage directly, or contract with another entity to manage the program, such as a transportation broker, which is how Idaho is currently operating.					
Agency Request	0.00	2,030,400	0	4,861,800	6,892,200
<i>The Governor recommends an additional \$108,100 from the Millennium Income Fund and \$973,000 from federal funds for NEMT services for those in the expansion population.</i>					
Governor's Recommendation	0.00	2,030,400	108,100	5,834,800	7,973,300

Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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23. Case Management Module

Medicaid Administration and Medical Mgmt

The Division of Medicaid requests \$4,000,000 in onetime and ongoing operating expenditures for case management software that will assist the department in better planning and coordinating of care for people with special health needs who are on Medicaid. The case management software will be procured from the current claims processing vendor, Molina Medicaid Solutions. Medicaid indicates that this will reduce the potential for costly system integration work and will allow for staff to leverage their time with contract management and development work. Medicaid estimates that the annual amount needed to operate the module will be \$1.4 million with \$260,000 from the General Fund and as a result Medicaid is asking for the entire amount in this request. The ongoing amount needed for FY 2020 is \$583,000 from all funds, and \$58,300 from the General Fund.

ANALYST COMMENT: After the budget submission deadline, the department identified an error in the request. The corrected amount needed by the department for this request is \$3,108,000 and includes \$310,800 from the General Fund with \$58,300 as ongoing, and \$2,797,200 in federal funds with \$524,700 as ongoing. However, to stay true to the officially submitted request, the original amount requested is being shown in this publication. The Division of Medicaid anticipates a onetime request of \$75,000 in FY 2021 to complete the implementation process.

Agency Request	0.00	610,000	0	3,390,000	4,000,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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25. Dental Provider Rate Increase

Basic, Coordinated, and Enhanced Medicaid Plans

The Division of Medicaid requests \$4,400,000 in ongoing trustee and benefit payments to provide a 10% rate increase for dental providers. Of the total request, \$1,296,400 is from the General Fund and \$3,103,600 is from federal funds. The division contracted with a consulting firm to determine the requested amount. The consultant firm provided three options of varying rate increases of 5%, 10%, and 28%, the division is requesting the middle option. The last rate increase for dental providers was in July 2010.

Agency Request	0.00	1,296,400	0	3,103,600	4,400,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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26. DD Provider Rate Increase

Enhanced Medicaid Plan

The Division of Medicaid requests \$3,825,000 for a rate increase for providers that serve clients with developmental disabilities. During the 2018 legislative session, the Legislature appropriated \$1,613,300 from all funds for this exact purpose. However, Medicaid discovered an error in the rate calculation work and is requesting the difference from what should have been requested to what was appropriated. Medicaid did not adequately capture the habilitative intervention service in the request; this is one of the most highly utilized services for this provider type. Habilitative Intervention is a service that is specifically designed to teach new skills, such as following through with directives, remaining on task, and engaging appropriately with peers.

This request also impacts the amount of funding that will be needed with other budget line item requests: line item 8 which includes service changes for children with autism and other developmental disabilities, and line item 27, which has similar services that are delivered in schools. If this line item is not approved, then line item 8 is reduced by \$277,500 and line item 27 is reduced by \$1,926,200, both in total funds.

Agency Request	0.00	1,126,900	0	2,698,100	3,825,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
27. School Based Services Rate Increase			Enhanced Medicaid Plan		
The Division of Medicaid requests \$5,628,900 from dedicated and federal funds to increase the rates for school districts that provide Medicaid services in the school setting to comparable businesses that provide these services in the community. Currently, community rates for the same services are slightly higher than the comparable rates for school-based services. Increases for individual services include \$1.56 for individual behavioral intervention, \$0.60 for group behavioral intervention, \$2.30 for community based rehabilitative services (CBRS) training by the school district, and \$1.60 for behavioral consultation.					
If line item 26 for rate increases for community based DD services is not approved this line item request will be reduced to \$3,702,700 in total funds.					
Agency Request	0.00	0	1,658,400	3,970,500	5,628,900
<i>Because the Governor does not recommend line item 26, this line item request is reduced.</i>					
Governor's Recommendation	0.00	0	1,074,500	2,628,200	3,702,700
28. Children's DD Services New Position			Medicaid Administration and Medical Mgmt		
The Division of Medicaid requests 1.00 FTP and \$74,400 to hire a program specialist for the children's developmentally disabled services, which are being revised to align with a state plan amendment, as described in line item 8. The request includes \$72,000 in ongoing personnel costs and \$2,400 in onetime operating expenditures. Because the change in process will lead to some subjectivity on recommended services, and if they are appropriate for the child, the department anticipates decisions being contested. This position will have the primary responsibility for handling and overseeing any appeals with the goal of minimizing litigation and ensuring due process is followed.					
Agency Request	1.00	37,200	0	37,200	74,400
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
29. Medicaid Pharmacist			Medicaid Administration and Medical Mgmt		
The Division of Medicaid requests 1.00 FTP and \$139,100 to hire an additional pharmacist. The request includes \$136,700 in ongoing personnel costs and \$2,400 in onetime operating expenditures. The position will help Medicaid participants avoid addiction to various pharmaceuticals, including opioids by managing high-risk participants, strengthening the review process, and educating prescribers about best practices for responsible opioid prescribing. Medicaid currently has two full-time pharmacists and a pharmacy program manager handling this work. The department has the capability to implement various restrictions into the claims adjudication system but does not have the capacity to deal with prior authorizations, questions, or increased appeals.					
Agency Request	1.00	38,800	0	100,300	139,100
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
34. Children's Behavioral Health Services			Enhanced Medicaid Plan		
The department is not requesting additional funds at this time for the contract with Optum and the Idaho Behavioral Health Plan, but is including a line item to inform the Legislature of a possible contract increase and the need for a supplemental appropriation in FY 2020. The department is working with Optum to update the array of services that need to be offered in accordance with the settlement for the Jeff D lawsuit. The settlement requires that the state provide necessary services to children with a serious emotional disturbance (SED). Children with a diagnosed SED and with a family income at or below 300% of the federal poverty limit are eligible for services through Medicaid. Services to be included in the plan are crisis response and intervention services, higher levels of case management and care coordination, and intensive home and community based services.					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the continued discussion of this contract renegotiation.</i>					
Governor's Recommendation	0.00	0	0	0	0

Division of Medicaid

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
35. Requested Transfer Language	Enhanced Medicaid Plan & Adult Mental Health				
The department requests that language is added to its Medicaid Division and Mental Health Services Division appropriation bills to allow for transfers from the Adult Mental Health Program to the Enhanced Medicaid Plan Program. The language would be strictly for the support of Community Crisis Centers; exact language was not requested by the department. The department notes that the various crisis centers have been working with commercial payers to establish a process that will allow them to bill insurance carriers for services rendered. Medicaid is intending to leverage this work to provide coverage in a similar manner. This would allow the state to receive a federal match for various services provided in the centers at the state's Federal Medical Assistance Percentage (FMAP) rate, which is currently forecasted at 29.66% state share and 70.34% federal share. Initial estimates by the department were around \$250,000 from the General Fund, but pending the status of Medicaid Expansion, this amount could be significantly larger.					
Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
36. Medicaid Expansion	Medicaid Administration and Expansion Plan				
Agency Request	0.00	0	0	0	0
The Governor recommends 3.00 FTP and \$197,307,900 for the implementation and ongoing operations of Medicaid expansion. This includes: 3.00 FTP and \$187,600 in personnel costs, with half in federal funds and half from the Idaho Millennium Income Fund; \$564,700 in operating expenditures with \$398,800 from federal funds and \$165,900 from the Idaho Millennium Income Fund; and \$196,555,600 in ongoing trustee and benefit payments with \$9,267,000 from the General Fund, \$10,388,600 from the Millennium Income Fund, and \$176,900,000 from federal funds. Of the total amount, \$205,000 is for onetime administration costs.					
Governor's Recommendation	3.00	9,267,000	10,648,300	177,392,600	197,307,900
FY 2020 Total					
Agency Request	221.00	680,983,900	242,620,300	1,696,659,500	2,620,263,700
Governor's Recommendation	219.00	684,430,500	254,678,900	1,864,149,500	2,803,258,900
Agency Request					
Change from Original App	5.00	95,762,500	(61,169,200)	136,219,900	170,813,200
% Change from Original App	2.3%	16.4%	(20.1%)	8.7%	7.0%
Governor's Recommendation					
Change from Original App	3.00	99,209,100	(49,110,600)	303,709,900	353,808,400
% Change from Original App	1.4%	17.0%	(16.2%)	19.5%	14.4%

Mental Health Services

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Children's Mental Health	15,403,100	13,759,000	14,786,700	14,393,600	14,457,100
Adult Mental Health	33,470,900	28,785,200	38,350,600	42,199,500	36,524,900
Total:	48,874,000	42,544,200	53,137,300	56,593,100	50,982,000
BY FUND CATEGORY					
General	38,349,300	34,639,800	42,072,200	45,951,000	40,299,400
Dedicated	625,700	82,200	876,600	628,000	629,000
Federal	9,899,000	7,822,200	10,188,500	10,014,100	10,053,600
Total:	48,874,000	42,544,200	53,137,300	56,593,100	50,982,000
Percent Change:		(13.0%)	24.9%	6.5%	(4.1%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	24,589,700	23,267,400	24,784,600	25,076,000	25,272,900
Operating Expenditures	7,245,300	5,381,800	8,327,800	7,291,700	7,291,700
Capital Outlay	0	37,000	0	0	0
Trustee/Benefit	17,039,000	13,858,000	20,024,900	24,225,400	18,417,400
Total:	48,874,000	42,544,200	53,137,300	56,593,100	50,982,000
Full-Time Positions (FTP)	308.23	308.23	308.23	308.23	308.23

Division Description

CHILDREN'S MENTAL HEALTH: The Children's Mental Health Program provides assessment and evaluation, clinical case management, hospitalization, residential treatment, and therapeutic foster care for children with serious emotional disturbances.

ADULT MENTAL HEALTH: Services in Idaho are community-based, consumer-guided, and organized through a system of care for adult citizens who experience serious and persistent mental illness.

Mental Health Services

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	308.23	42,072,200	53,137,300	308.23	42,072,200	53,137,300
Removal of Onetime Expenditures	0.00	(600,000)	(1,100,000)	0.00	(600,000)	(1,100,000)
FY 2020 Base	308.23	41,472,200	52,037,300	308.23	41,472,200	52,037,300
Benefit Costs	0.00	63,000	79,300	0.00	(109,600)	(137,800)
Statewide Cost Allocation	0.00	46,600	63,900	0.00	46,600	63,900
Crisis Centers Annualization	0.00	2,592,500	2,592,500	0.00	2,592,500	2,592,500
Change in Employee Compensation	0.00	168,700	212,100	0.00	497,700	626,100
FY 2020 Program Maintenance	308.23	44,343,000	54,985,100	308.23	44,499,400	55,182,000
3. Mental Health Court Enhancement	0.00	1,608,000	1,608,000	0.00	0	0
35. Requested Transfer Language	0.00	0	0	0.00	0	0
36. Medicaid Expansion	0.00	0	0	0.00	(4,200,000)	(4,200,000)
FY 2020 Total	308.23	45,951,000	56,593,100	308.23	40,299,400	50,982,000
Change from Original Appropriation	0.00	3,878,800	3,455,800	0.00	(1,772,800)	(2,155,300)
% Change from Original Appropriation		9.2%	6.5%		(4.2%)	(4.1%)

Mental Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	308.23	42,072,200	876,600	10,188,500	53,137,300

Removal of Onetime Expenditures

This action removes \$500,000 for the onetime costs related to the Jeff D Settlement implementation in the Children's Mental Health Program. Additionally, it removes \$600,000 for onetime costs associated with three Community Crisis Centers in the Adult Mental Health Program.

Agency Request	0.00	(600,000)	(250,000)	(250,000)	(1,100,000)
Governor's Recommendation	0.00	(600,000)	(250,000)	(250,000)	(1,100,000)

FY 2020 Base					
Agency Request	308.23	41,472,200	626,600	9,938,500	52,037,300
Governor's Recommendation	308.23	41,472,200	626,600	9,938,500	52,037,300

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	63,000	400	15,900	79,300
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(109,600)	(600)	(27,600)	(137,800)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$40,000. This request also includes \$23,900 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	46,600	0	17,300	63,900
Governor's Recommendation	0.00	46,600	0	17,300	63,900

Crisis Centers Annualization

Adult Mental Health

The department requests \$2,592,500 in ongoing trustee and benefit payments from the General Fund for the remaining months of the three new community crisis centers approved in FY 2019. The new centers will be opening throughout FY 2019 and this request will provide the annualized amount for a full year of funding for each of the new centers. The amount requested, if approved, would bring the total ongoing General Fund amount to \$10,240,000, or \$400,000 less than what seven centers would be at if each center received the initial full-funded amount of \$1,520,000.

Agency Request	0.00	2,592,500	0	0	2,592,500
Governor's Recommendation	0.00	2,592,500	0	0	2,592,500

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	168,700	1,000	42,400	212,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	497,700	3,000	125,400	626,100
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Mental Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	308.23	44,343,000	628,000	10,014,100	54,985,100
Governor's Recommendation	308.23	44,499,400	629,000	10,053,600	55,182,000

3. Mental Health Court Enhancement

Adult Mental Health

The Adult Mental Health Program requests \$1,608,000 in ongoing trustee and benefit payments from the General Fund to change its process for providing services to mental health court participants. The request is composed of three parts: 1) contract with private mental health providers to capture more Medicaid match dollars for the current participants; 2) double the capacity of the mental health court program from 240 to 480 for eligible participants; and 3) redirect current personnel resources from providing direct Assertive Community Treatment (ACT) services to handling mental holds and designated exams.

Given the department's current contract with Optum for behavioral health services, the department is not considered a provider for services and therefore cannot bill for services for some Medicaid eligible participants, which means the entire cost is paid from the General Fund. However, as part of the Optum contract, Optum does receive payment for the eligible individuals, which means the Medicaid budget should remain neutral. Finally, by privatizing the services, current Adult Mental Health Program personnel will be able to redirect their time from providing direct services to handling the increase in designated holds and mental health holds. The request was based on an average annual cost of \$6,700 per participant times 240 slots.

Agency Request	0.00	1,608,000	0	0	1,608,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

35. Requested Transfer Language

Adult Mental Health & Enhanced Medicaid Plan

The department requests that language is added to its Medicaid Division and Mental Health Services Division appropriation bills to allow for transfers from the Adult Mental Health Program to the Enhanced Medicaid Plan Program. The language would be strictly for the support of Community Crisis Centers; exact language was not requested by the department. The department notes that the various crisis centers have been working with commercial payers to establish a process that will allow them to bill insurance carriers for services rendered. Medicaid is intending to leverage this work to provide coverage in a similar manner. This would allow the state to receive a federal match for various services provided in the centers at the state's Federal Medical Assistance Percentage (FMAP) rate, which is currently forecasted at 29.66% state share and 70.34% federal share. Initial estimates by the department were around \$250,000 from the General Fund, but pending the status of Medicaid Expansion, this amount could be significantly larger.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

36. Medicaid Expansion

Adult Mental Health

Agency Request 0.00 0 0 0 0

The Governor recommends an ongoing reduction of \$4,200,000 from the General Fund in trustee and benefit payments. This reduction is the result of passage of Medicaid expansion. This amount is equal to six months of savings and in FY 2021 an additional \$4,200,000 will be included in the agency's request for removal.

Governor's Recommendation	0.00	(4,200,000)	0	0	(4,200,000)
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FY 2020 Total

Agency Request	308.23	45,951,000	628,000	10,014,100	56,593,100
Governor's Recommendation	308.23	40,299,400	629,000	10,053,600	50,982,000

Agency Request

Change from Original App	0.00	3,878,800	(248,600)	(174,400)	3,455,800
% Change from Original App	0.0%	9.2%	(28.4%)	(1.7%)	6.5%

Governor's Recommendation

Change from Original App	0.00	(1,772,800)	(247,600)	(134,900)	(2,155,300)
% Change from Original App	0.0%	(4.2%)	(28.2%)	(1.3%)	(4.1%)

Psychiatric Hospitalization

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Community Hospitalization	4,864,700	5,019,800	3,069,000	3,069,000	2,069,000
State Hospital North	9,520,200	9,453,600	9,565,400	10,317,400	9,874,200
State Hospital South	25,895,100	25,685,600	26,181,200	26,842,300	26,743,700
Total:	40,280,000	40,159,000	38,815,600	40,228,700	38,686,900
BY FUND CATEGORY					
General	25,016,400	24,809,300	23,120,100	23,571,100	22,033,800
Dedicated	10,580,400	10,640,900	11,010,800	11,952,200	11,941,800
Federal	4,683,200	4,708,800	4,684,700	4,705,400	4,711,300
Total:	40,280,000	40,159,000	38,815,600	40,228,700	38,686,900
Percent Change:		(0.3%)	(3.3%)	3.6%	(0.3%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	29,375,600	28,929,300	29,722,800	30,486,800	30,428,100
Operating Expenditures	5,215,300	5,333,100	5,063,400	5,662,900	5,311,300
Capital Outlay	405,700	479,600	541,700	578,800	447,300
Trustee/Benefit	5,283,400	5,417,000	3,487,700	3,500,200	2,500,200
Total:	40,280,000	40,159,000	38,815,600	40,228,700	38,686,900
Full-Time Positions (FTP)	392.35	392.35	392.35	395.35	393.35

Division Description

Psychiatric Hospitalization is organized into three budgeted programs: Community Hospitalization, State Hospital South (SHS), and State Hospital North (SHN).

Funding for Community Hospitalization was transferred from Community Mental Health into a separate program beginning in FY 2006. These funds are used to pay for patient care once an individual has been committed to state custody, and before a bed is available in one of the two state institutions.

Both State Hospital South in Blackfoot, and State Hospital North in Orofino, provide short- and long-term 24-hour residential care and treatment for persons who are not able to remain safely in the community setting. State Hospital South has 106 psychiatric treatment beds on four separate units, and a 29-bed nursing home facility in a separate multi-story building on the campus. State Hospital North has a capacity of 55 beds.

Psychiatric Hospitalization Agency Profile

Analyst: Tatro

STATE HOSPITAL NORTH

Adult Inpatient Psychiatric Services

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
• Patient Days	16,153	16,834	18,026	17,644	16,116
• Admissions	217	243	233	206	278
• Avg. Daily Census	44	46	49	48	44
• Median Length of Stay (days)	44	48	55	55	42
• Daily Occupancy Rate	74.0%	77.0%	82.0%	81.0%	74.0%
• 30 Day Readmission Rate	2.3%	2.1%	0.9%	1.5%	0.7%
• 180 Day Readmission Rate	10.6%	11.5%	7.7%	4.9%	7.2%
• Cost Per Patient Day	\$506	\$509	\$492	\$528	\$578

STATE HOSPITAL SOUTH

Adult Inpatient Psychiatric Services

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
• Patient Days	27,375	26,005	28,112	27,734	28,753
• Admissions	608	547	640	582	575
• Avg. Daily Census	75	71	77	76	79
• Median Length of Stay (days)	29	30	32	34	35
• Daily Occupancy Rate	83.3%	79.2%	85.3%	84.4%	87.5%
• 30 Day Readmission Rate	1.6%	2.6%	3.8%	1.6%	1.6%
• 180 Day Readmission Rate	14.1%	14.3%	15.2%	10.0%	13.0%
• Cost Per Patient Day	\$533	\$600	\$589	\$636	\$612

Syringa Skilled Nursing Facility

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
• Patient Days	8,856	8,837	9,935	9,989	10,294
• Admissions	11	14	17	16	8
• Daily Occupancy Rate	83.7%	83.5%	88.1%	94.4%	97.3%
• Cost Per Patient Day	\$588	\$621	\$604	\$623	\$604

Adolescent Unit

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
• Patient Days	4,181	4,562	4,574	3,997	4,088
• Admissions	122	149	131	116	124
• Daily Occupancy Rate	71.6%	78.1%	78.1%	68.4%	70.0%
• Median Length of Stay (days)	31	29	31	29	31
• 30 Day Readmission Rate	0.8%	2.7%	0.0%	0.0%	0.0%
• 180 Day Readmission Rate	3.3%	8.1%	4.6%	7.8%	5.6%
• Cost Per Patient Day	\$643	\$724	\$747	\$848	\$837

Psychiatric Hospitalization

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	392.35	23,120,100	38,815,600	392.35	23,120,100	38,815,600
Removal of Onetime Expenditures	0.00	(329,400)	(632,200)	0.00	(329,400)	(632,200)
FY 2020 Base	392.35	22,790,700	38,183,400	392.35	22,790,700	38,183,400
Benefit Costs	0.00	54,200	87,600	0.00	(120,600)	(180,200)
Inflationary Adjustments	0.00	133,600	203,100	0.00	116,500	186,000
Replacement Items	0.00	608,400	767,400	0.00	390,200	549,200
Statewide Cost Allocation	0.00	55,700	63,000	0.00	55,700	63,000
Change in Employee Compensation	0.00	152,500	245,100	0.00	428,400	692,700
Nondiscretionary Adjustments	0.00	40,900	0	0.00	40,900	0
Endowment Adjustments	0.00	(930,600)	0	0.00	(860,800)	0
FY 2020 Program Maintenance	392.35	22,905,400	39,549,600	392.35	22,841,000	39,494,100
12. SHN Infection Prevention Officer	1.00	88,200	88,200	0.00	0	0
13. SHS Additional Staffing	2.00	105,000	105,000	1.00	48,600	48,600
14. Reclassify LPNs to RNs	0.00	80,300	93,700	0.00	0	0
17. Psychiatry and Nursing Services	0.00	392,200	392,200	0.00	144,200	144,200
36. Medicaid Expansion	0.00	0	0	0.00	(1,000,000)	(1,000,000)
FY 2020 Total	395.35	23,571,100	40,228,700	393.35	22,033,800	38,686,900
Change from Original Appropriation	3.00	451,000	1,413,100	1.00	(1,086,300)	(128,700)
% Change from Original Appropriation		2.0%	3.6%		(4.7%)	(0.3%)

Psychiatric Hospitalization

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	392.35	23,120,100	11,010,800	4,684,700	38,815,600

Removal of Onetime Expenditures

This action removes onetime funding that was appropriated for various replacement items at State Hospital North and State Hospital South.

Agency Request	0.00	(329,400)	(302,800)	0	(632,200)
Governor's Recommendation	0.00	(329,400)	(302,800)	0	(632,200)

FY 2020 Base					
Agency Request	392.35	22,790,700	10,708,000	4,684,700	38,183,400
Governor's Recommendation	392.35	22,790,700	10,708,000	4,684,700	38,183,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	54,200	22,700	10,700	87,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(120,600)	(34,900)	(24,700)	(180,200)
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Inflationary Adjustments

State Hospital North: Requests \$5,400 for general inflation costs, and \$12,700 for medical inflation costs. The total request is from the General Fund.

State Hospital South: Requests \$81,200 for general inflation costs, and \$103,800 for medical inflation costs. Of the total, \$115,500 is requested from the General Fund and \$69,500 is from dedicated funds.

Agency Request	0.00	133,600	69,500	0	203,100
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The Governor recommends funding for medical inflation only.

Governor's Recommendation	0.00	116,500	69,500	0	186,000
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Replacement Items

State Hospital North, State Hospital South

State Hospital North: Requests \$238,400 from the General Fund to replace medical privacy screens, a dishwasher, a maintenance utility vehicle, patient beds, and more. The request also has several alteration and repair projects that include the remodeling of a training room and a therapy room, ceiling and cabinetry repairs, and for a water tank inspection and potential repair.

Analyst Comment: The water tank inspection does not meet the criteria of an alteration and repair project, according to budget submission requirements, unless there is a known and needed repair.

State Hospital South: Requests \$529,000, with \$370,000 from the General Fund, \$45,000 from dedicated receipts, and \$114,000 from the Hospital Endowment Fund to replace a water mainline, sidewalks, trees, three vehicles, freezers, kitchen equipment, chairs, and more.

Agency Request	0.00	608,400	159,000	0	767,400
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The Governor recommends \$90,200 for State Hospital North, and \$459,000 for State Hospital South.

Governor's Recommendation	0.00	390,200	159,000	0	549,200
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$63,000.

Agency Request	0.00	55,700	0	7,300	63,000
Governor's Recommendation	0.00	55,700	0	7,300	63,000

Psychiatric Hospitalization

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	152,500	62,400	30,200	245,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	428,400	179,400	84,900	692,700
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Nondiscretionary Adjustments

State Hospital South

This adjustment increases the General Fund appropriation by \$40,900 and decreases a like amount in federal funds to reflect a change in the Title XIX Federal Medical Assistance Percentage (FMAP) rate, which is the federal share of eligible Medicaid payments for the majority of services provided. The rate will change from 71.13% to 70.34% for FY 2020.

Agency Request	0.00	40,900	0	(40,900)	0
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Governor's Recommendation	0.00	40,900	0	(40,900)	0
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Endowment Adjustments

State Hospital South

State Hospital South (SHS) requests a reduction from the General Fund of \$930,600 and an increase to the dedicated endowment fund by a like amount in personnel costs and operating expenditures.

On August 21, 2018, the Idaho Land Board approved endowment fund distribution increases of \$930,600 for SHS and to retain the same distribution for State Hospital North (SHN). With the approved increase, SHS has an FY 2020 distribution of \$5,955,000 and SHN remains at \$1,534,400 for FY 2020.

Agency Request	0.00	(930,600)	930,600	0	0
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Recommended by the Governor with a reduction of \$69,800 to account for changes in the Governor's statewide recommendation for employee benefit costs and compensation.

Governor's Recommendation	0.00	(860,800)	860,800	0	0
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FY 2020 Program Maintenance

Agency Request	392.35	22,905,400	11,952,200	4,692,000	39,549,600
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Governor's Recommendation	392.35	22,841,000	11,941,800	4,711,300	39,494,100
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12. SHN Infection Prevention Officer

State Hospital North

State Hospital North requests 1.00 FTP and \$88,200 in ongoing personnel costs from the General Fund to hire an infection prevention officer at State Hospital North (SHN). SHN was recently cited in the department's Bureau of Facility Standards survey for several deficiencies related to the Infection Prevention Plan. Currently, the duties related to infection prevention are assigned to the director of nursing services. This position would assume the infection prevention duties for the 55-bed capacity facility. Responsibilities include: screening new employees for disease and illness when appropriate; disease reporting; control of infected patients; monitoring new products; and training/information sharing with staff. This position is being requested at 95.9% of policy or \$32.00 per hour plus benefits.

Agency Request	1.00	88,200	0	0	88,200
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Psychiatric Hospitalization

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
13. SHS Additional Staffing	State Hospital South				
State Hospital South requests 2.00 FTP and \$105,000 in ongoing personnel costs from the General Fund to hire a health information specialist and an administrative assistant. The health information specialist will work in the health information management (HIM) department and the administrative assistant will provide support to the clinical, medical, and nursing personnel at the SHS Patient Treatment Facility (PTF). Work in the HIM has increased in several areas since 2012, including a 19% increase in the number of admissions and discharges. The number of releases that involve sharing of health information to patients, insurance, and providers has increased more than 73% in this timeframe, while the number of staff in this program has remained the same. Historically, the hospital has been able to rely on existing staff to perform various administrative functions, but with the increase in work related to the HIM, the existing staff are struggling to complete the added work. SHS is proposing a starting wage of \$16.00 per hour for both positions. These rates are being requested at 90% of policy to align with existing staff and comparable positions. The department requested these positions last year, but they were not recommended by the Governor or funded by the Legislature.					
Agency Request	2.00	105,000	0	0	105,000
<i>The Governor recommends funding for the health information specialist.</i>					
Governor's Recommendation	1.00	48,600	0	0	48,600
14. Reclassify LPNs to RNs	State Hospital South				
State Hospital South requests \$93,700 in ongoing personnel costs with \$80,300 from the General Fund and \$13,400 from federal funds to reclassify five licensed practical nurse (LPN) positions to registered nurse (RN) positions. This includes one reclassification for each of the units in the Patient Treatment Facility (PTF) and one for the nursing facility. The number of vacancies for the LPN position compared to the RN position is almost two-to-one in favor of LPN, or 33 to 16 in the last fiscal year. The department indicates that LPN positions at the hospital are often a training ground for other medical facilities and most LPN positions are training to become an RN. This request would allow for the hospital to hire RNs or LPNs for patient care. Further, an RN is able to perform the same tasks as an LPN but with the added ability to further assess and document the patient's condition and safety. The starting wage difference between an LPN and RN is \$7.35 an hour. The four positions in the PTF will be paid from the General Fund and the one position at the nursing facility will be paid based on the blended Medicaid match rate. A similar request was made for FY 2019 but not recommended by the Governor or funded by the Legislature.					
Agency Request	0.00	80,300	0	13,400	93,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
17. Psychiatry and Nursing Services	State Hospital North				
State Hospital North requests \$392,200 from the General Fund for services related to psychiatry and nursing. This includes \$144,400 in personnel costs to reclassify an advanced practice nurse to a psychiatric specialty physician. The request includes \$247,800 in operating expenditures with \$125,000 for an additional 720 hours of contracted tele-psychiatry services and 145 hours of contracted on-call services, and \$122,800 for contract nursing hours when staff registered nursing positions are vacant. Currently, the hospital is contracting with a psychiatrist that has indicated interest in becoming a hospital staff member. This individual also carries a fellowship in co-occurring substance abuse treatment. The hospital continues to struggle with recruiting and retaining positions, especially in psychiatry and nursing. This request will allow the hospital the opportunity to function at full capacity. The hospital conducted a request for information (RFI) to determine the appropriate amount of funding needed for full operations, then accounted for normal vacancies and personnel costs that will be saved, and calculated the net difference, which is the request being made.					
Agency Request	0.00	392,200	0	0	392,200
<i>The Governor recommends funding from the General Fund to reclassify the advanced practice nurse position.</i>					
Governor's Recommendation	0.00	144,200	0	0	144,200

Psychiatric Hospitalization

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
36. Medicaid Expansion				Community Hospitalization	
Agency Request	0.00	0	0	0	0
<i>The Governor recommends an ongoing reduction of \$1,000,000 from the General Fund in trustee and benefit payments. This reduction is the result of passage of Medicaid expansion. This amount is equal to six months of savings and in FY 2021 an additional \$1,000,000 will be included in the agency's request for removal.</i>					
Governor's Recommendation	0.00	(1,000,000)	0	0	(1,000,000)
FY 2020 Total					
Agency Request	395.35	23,571,100	11,952,200	4,705,400	40,228,700
Governor's Recommendation	393.35	22,033,800	11,941,800	4,711,300	38,686,900
Agency Request					
Change from Original App	3.00	451,000	941,400	20,700	1,413,100
% Change from Original App	0.8%	2.0%	8.5%	0.4%	3.6%
Governor's Recommendation					
Change from Original App	1.00	(1,086,300)	931,000	26,600	(128,700)
% Change from Original App	0.3%	(4.7%)	8.5%	0.6%	(0.3%)

Public Health Services

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Physical Health Services	99,157,400	85,070,600	102,570,100	105,860,100	105,938,900
Emergency Medical Services	11,776,600	9,230,400	11,997,500	11,985,300	12,009,900
Laboratory Services	4,832,000	4,405,700	4,896,500	4,902,100	4,927,800
Suicide Prevention and Awareness	1,065,700	1,109,400	1,323,200	2,365,500	2,367,300
Total:	116,831,700	99,816,100	120,787,300	125,113,000	125,243,900
BY FUND CATEGORY					
General	8,416,500	8,327,200	8,912,600	10,216,000	10,116,200
Dedicated	44,025,800	34,942,200	44,255,500	44,623,900	44,768,200
Federal	64,389,400	56,546,700	67,619,200	70,273,100	70,359,500
Total:	116,831,700	99,816,100	120,787,300	125,113,000	125,243,900
Percent Change:		(14.6%)	21.0%	3.6%	3.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	17,965,800	17,112,400	18,382,000	19,086,500	19,217,400
Operating Expenditures	43,256,800	32,550,900	45,145,800	49,275,100	49,275,100
Capital Outlay	0	635,100	42,800	0	0
Trustee/Benefit	55,609,100	49,517,700	57,216,700	56,751,400	56,751,400
Total:	116,831,700	99,816,100	120,787,300	125,113,000	125,243,900
Full-Time Positions (FTP)	234.69	234.69	237.02	244.02	243.02

Division Description

The Division of Public Health Services includes Physical Health Services, Emergency Medical Services, Laboratory Services, and Suicide Prevention and Awareness.

Physical Health Services provide services in 17 different program areas that are primarily delivered through contracts with the local public health districts and other providers. Program areas include immunizations, chronic and communicable disease prevention and intervention, food safety, reduction in health risks from environmental exposures, promotion of maternal and child health, improving access to rural health care, and vital records.

Emergency Medical Services (EMS) plans and implements a statewide system designed to respond to critical illness and injury situations, including medical response to disasters. The program is responsible for EMS personnel training; ambulance licensing; emergency medical technicians (EMT) and other EMS personnel certification; operation of the statewide EMS communications center; providing technical assistance and grants to community EMS units; evaluation of EMS system performance; overseeing the public health preparedness program; and other related activities.

Laboratory Services is one of several basic support systems administered by the Division of Public Health for a variety of physical health programs, environmental control programs, and other divisions and programs of the department. Laboratories also provide support to the local district health departments and other departments of state government, in accordance with written agreements.

Suicide Prevention and Awareness was established by the Legislature in 2016 with passage of H566. The program was initially appropriated 4.00 FTP, and \$971,100 from the General Fund, and was created in accordance with the recommendations of the Health Quality Planning Commission (HQPC) report that was finalized on December 9, 2015. The report was required with passage of SCR104 of 2015. Funds are to be used for youth programs, to support the suicide hotline, and to create a public awareness campaign.

Public Health Services

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	237.02	8,912,600	120,787,300	237.02	8,912,600	120,787,300
5. Various Health Federal Grants	6.00	0	5,550,000	6.00	0	5,550,000
6. Additional EMS Grants	0.00	0	300,000	0.00	0	300,000
FY 2019 Total Appropriation	243.02	8,912,600	126,637,300	243.02	8,912,600	126,637,300
Noncognizable Funds and Transfers	0.00	10,500	10,500	0.00	10,500	10,500
FY 2019 Estimated Expenditures	243.02	8,923,100	126,647,800	243.02	8,923,100	126,647,800
Removal of Onetime Expenditures	0.00	(192,600)	(3,187,600)	0.00	(192,600)	(3,187,600)
Base Adjustments	(1.00)	(10,500)	(46,900)	(1.00)	(10,500)	(46,900)
FY 2020 Base	242.02	8,720,000	123,413,300	242.02	8,720,000	123,413,300
Benefit Costs	0.00	12,100	57,500	0.00	(22,200)	(106,700)
Statewide Cost Allocation	0.00	19,800	27,000	0.00	19,800	27,000
Change in Employee Compensation	0.00	33,700	160,200	0.00	99,900	476,100
FY 2020 Program Maintenance	242.02	8,785,600	123,658,000	242.02	8,817,500	123,809,700
1. Suicide Prevention Infrastructure	0.00	1,026,100	1,026,100	0.00	1,026,100	1,026,100
20. Cancer Data Registry	0.00	106,000	116,000	0.00	0	116,000
24. Tuberculosis Program	0.00	272,600	259,700	0.00	272,600	259,700
31. Food Protection Program	1.00	25,700	25,700	0.00	0	0
32. Chronic Disease Health Ed Specialist	1.00	0	27,500	1.00	0	32,400
FY 2020 Total	244.02	10,216,000	125,113,000	243.02	10,116,200	125,243,900
Change from Original Appropriation	7.00	1,303,400	4,325,700	6.00	1,203,600	4,456,600
% Change from Original Appropriation		14.6%	3.6%		13.5%	3.7%

Public Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	237.02	8,912,600	44,255,500	67,619,200	120,787,300

5. Various Health Federal Grants

Physical Health Services, EMS

PHYSICAL HEALTH SERVICES: The Physical Health Services Program requests a supplemental appropriation of 6.00 FTP and a net increase of \$5,850,000 in ongoing federal funds to administer 11 federal grants. The request includes an additional \$550,000 in ongoing personnel costs, an additional \$6,800,000 in operating expenditures, and a decrease of \$1,500,000 in trustee and benefit payments. The department is also requesting \$5,850,000 in program transfers, which will make the request net-zero for the department. The department-wide request for this supplemental appropriation is 6.00 FTP and \$0. Grants and associated FTP included in the request are for opioids (1.00 FTP), AIDS, oral health (1.00 FTP), physical activity and nutrition, chronic disease innovation (1.00 FTP), the National Violent Death Registry System (2.00 FTP), immunizations, sexual risk avoidance or abstinence (1.00 FTP), and for the maternal, infant and early childhood home visiting program. The six requested FTP will be limited service positions and will be requested for removal by the department upon completion of each associated grant.

EMERGENCY MEDICAL SERVICES: The department requests a program transfer of \$300,000 in federal funds from the Emergency Medical Services Program to the Physical Health Services Program for 11 federal grants that have been awarded to the Physical Health Services Program. Grants include funding for opioids, oral health, immunizations, abstinence, physical activity and nutrition, and chronic diseases. Rather than requesting new appropriation, the department was able to identify existing appropriation amounts in several programs that are in excess of estimated needs. As a result, this department-wide request has an overall net-zero impact on the department's federal fund appropriation. The appropriation will increase in the Physical Health Services Program by 6.00 FTP and \$5,850,000. The appropriation will be reduced by \$5,850,000 in five programs and includes \$1,000,000 from Self-Reliance Operations, \$300,000 from Emergency Medical Services, \$3,100,000 from Healthcare Policy Initiatives, \$750,000 from the Southwest Idaho Treatment Center, and \$700,000 from Medicaid Administration.

Agency Request	6.00	0	0	5,550,000	5,550,000
<i>Governor's Recommendation</i>	<i>6.00</i>	<i>0</i>	<i>0</i>	<i>5,550,000</i>	<i>5,550,000</i>

6. Additional EMS Grants

Emergency Medical Services

The Emergency Medical Services (EMS) Program requests \$300,000 in ongoing trustee and benefit payments from the Emergency Medical Services III Fund to award grants to local EMS agencies. Receipts into the fund are exceeding the appropriation amount and the department is having to reject grant applications because the requests exceed the appropriation. Revenue for the fund includes \$4.00 that is added to the cost of a driver's license and \$4.00 that is added to the costs for a class A, B, or C instruction permit. Moneys in the fund shall be used exclusively for the purpose of acquiring vehicles and equipment for use by emergency medical services personnel in the performance of their duties, which include highway safety and emergency responses to motor vehicle accidents. In FY 2017, there were \$1,097,361 in unfunded vehicle requests and \$447,071 in unfunded equipment requests. The request includes additional appropriation to maximize the use of the fund's purpose, especially in rural areas. The FY 2019 Original Appropriation for this fund is \$1,400,000, the estimated FY 2019 revenue is \$1,433,300, and the FY 2019 beginning cash balance was \$1,635,200. If the supplemental request is approved, the estimated ending cash balance for FY 2019 will be \$1,368,500.

Agency Request	0.00	0	300,000	0	300,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>300,000</i>	<i>0</i>	<i>300,000</i>

FY 2019 Total Appropriation					
Agency Request	243.02	8,912,600	44,555,500	73,169,200	126,637,300
<i>Governor's Recommendation</i>	<i>243.02</i>	<i>8,912,600</i>	<i>44,555,500</i>	<i>73,169,200</i>	<i>126,637,300</i>

Public Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Noncognizable Funds and Transfers

Physical Health Services: Receives a transfer of \$36,000 in General Fund personnel costs from the Emergency Medical Services Program. Also transfers \$36,500 from General Fund personnel costs to operating expenditures.

Emergency Medical Services: Transfers \$13,000 in General Fund personnel costs to the Suicide Prevention and Awareness Program, and transfers \$36,000 in General Fund personnel costs to the Physical Health Services Program.

Laboratory Services: Transfers \$128,500 from dedicated receipts personnel costs to operating expenditures.

Suicide Prevention and Awareness: Receives a transfer of \$23,500 in General Fund personnel costs with \$10,500 from Indirect Support Services and \$13,000 from Emergency Medical Services.

Agency Request	0.00	10,500	0	0	10,500
Governor's Recommendation	0.00	10,500	0	0	10,500

FY 2019 Estimated Expenditures

Agency Request	243.02	8,923,100	44,555,500	73,169,200	126,647,800
Governor's Recommendation	243.02	8,923,100	44,555,500	73,169,200	126,647,800

Removal of Onetime Expenditures

This action removes \$42,800 for onetime funding that was appropriated to purchase two new vehicles in Laboratory Services and removes \$3,144,800 of onetime appropriation in the Physical Health Services Program.

Agency Request	0.00	(192,600)	0	(2,995,000)	(3,187,600)
Governor's Recommendation	0.00	(192,600)	0	(2,995,000)	(3,187,600)

Base Adjustments

Physical Health Services: Reduces the appropriation by 1.00 FTP and \$88,400 for the conclusion of the SHIP grant. Transfers \$36,000 from Emergency Medical Services ongoing. Also transfers in \$52,000 in ongoing federal fund personnel costs to account for increases in personnel costs for FY 2020 associated with supplemental request 5.

Emergency Medical Services: Makes the \$49,000 transfer in ongoing General Fund personnel costs to other Public Health Services Division programs ongoing.

Laboratory Services: Restores \$128,500 to personnel costs in dedicated receipts and then transfers \$80,000 from personnel costs to operating expenditures on an ongoing basis.

Suicide Prevention and Awareness: Transfers back \$10,500 in General Fund personnel costs to the Physical Health Services Program and then makes an ongoing transfer of \$13,000 from General Fund personnel costs from Emergency Medical Services.

Agency Request	(1.00)	(10,500)	0	(36,400)	(46,900)
Governor's Recommendation	(1.00)	(10,500)	0	(36,400)	(46,900)

FY 2020 Base

Agency Request	242.02	8,720,000	44,555,500	70,137,800	123,413,300
Governor's Recommendation	242.02	8,720,000	44,555,500	70,137,800	123,413,300

Public Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	12,100	15,600	29,800	57,500
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(22,200)	(30,800)	(53,700)	(106,700)
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$27,000.					
Agency Request	0.00	19,800	0	7,200	27,000
Governor's Recommendation	0.00	19,800	0	7,200	27,000
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	33,700	42,800	83,700	160,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	99,900	127,500	248,700	476,100
FY 2020 Program Maintenance					
Agency Request	242.02	8,785,600	44,613,900	70,258,500	123,658,000
Governor's Recommendation	242.02	8,817,500	44,652,200	70,340,000	123,809,700

Public Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Suicide Prevention Infrastructure					Suicide Prevention and Awareness

The Suicide Prevention and Awareness Program requests \$1,026,100 ongoing from the General Fund to implement the beginning phases of the Idaho Suicide Prevention and Awareness Plan. In accordance with language that was added to the Suicide Prevention and Awareness FY 2019 appropriation bill, the program is required to submit a budget request for the entire amount needed to implement the Idaho Suicide Prevention and Awareness Plan. Currently, the program has 4.00 FTP and \$1,336,200 in its base appropriation. The current appropriation has been used in accordance with the first three recommendations identified by the Health Quality Planning Commission, as required by SCR104 of 2015: 1) create youth programming in cooperation with the State Department of Education; 2) establish a public awareness campaign; and 3) provide financial assistance to the Idaho Suicide Hotline.

However, during the 2018 legislative session, JFAC members decided that more should be done and added supporting language to the programs appropriation bill. This language required the program to work in full collaboration with non-state and state entities involved in suicide prevention and awareness. Further, the non-state entities were to hire a facilitator to oversee the collaborative process. The collaborative process involved more than 50 individuals from varying organizations and the group met every three weeks for three consecutive months. The group was able to use the framework from the National Action Alliance's National Strategy for Suicide Prevention, the current Idaho Suicide Prevention State Plan, and the Centers for Disease Control and Prevention's Preventing Suicide: A Technical Package of Policy, Programs and Practices. With the framework of these evidence-based documents, the group was able to identify and prioritize objectives, strategies, and tactical initiatives to reduce suicides in Idaho. Based on the prioritization of objectives and goals, the department, with cooperation from stakeholders, was able to prepare a budget request for FY 2020. Further, the group was able to assist the department to reprioritize funding currently in the program's base, as was allowed for by the appropriation bill. For the current year, the department will reprioritize funds to begin work on a school-based gap analysis, develop the framework for the training infrastructure and begin to lay the foundation for the Zero Suicide pilot projects in north and eastern Idaho. Overall, the group fully supports a public-private partnership and is dedicated to ensuring that everyone is invested in the comprehensive plan.

For FY 2020, the department requests \$117,200 for additional funding for the Idaho Suicide Hotline; \$200,000 to contract for a statewide gap analysis; \$120,000 to support the non-state entities through a state collaborative contractor; \$210,000 to support a regional collaborative model through a designated regional point of contact; \$315,000 for training and technical assistance in establishing a "train the trainer" model; \$302,500 to implement a Zero Suicide pilot model; \$5,000 for general operations of the program; and a shift of \$145,000 from communication and outreach dollars; and \$151,400 for reduced youth prevention efforts as these moneys will be used for other purposes. This request does not include other sources of funding that will be generated and expended by other state and non-state entities. The group continues to meet on a regular basis to refine and update the plan. The entire request is being made as ongoing to allow for implementation of the entire plan. As portions of the plan are implemented, such as the gap analysis, then those moneys will be used for other portions of the plan. The intent of this request is to ensure success at each stage before moving forward. It is expected that, as the infrastructure matures, reliance on the General Fund will decrease.

Agency Request	0.00	1,026,100	0	0	1,026,100
Governor's Recommendation	0.00	1,026,100	0	0	1,026,100

Public Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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20. Cancer Data Registry

Physical Health Services

The Physical Health Services Program requests \$116,000 in operating expenditures to support the Cancer Data Registry. The request includes \$106,000 ongoing from the General Fund and \$10,000 onetime from the Central Tumor Registry Fund. Chapter 17, Title 57, Idaho Code, gives the department the authority to maintain a uniform statewide population-based cancer registry system for the collection of data pertaining to the incidence, prevalence, management, survival, mortality, geographic distribution, and risk factors associated with cancer and reportable benign tumors. The work is performed through a contract with the Idaho Hospital Association. Of the metrics for monitoring population-based cancer burden, survival statistics in particular can be used to target and monitor cancer control and health policy initiatives, and evaluate the effectiveness of health care delivery to cancer patients. Currently, operations are funded with \$120,000 from the Central Tumor Registry Fund with revenues coming from cigarette taxes (see Section 63-2520(b)(2), Idaho Code). However, the contract is set at \$226,000, or a difference of \$116,000, which the department has been able to fund through other sources in prior years. This includes \$76,700 from the Women's Health Check Breast and Cervical Cancer Screening Program, and \$29,300 from the Project Filter tobacco and prevention control program. This \$226,000 is used as match for a Center for Disease Control (CDC) prevention grant that is awarded directly to the Idaho Hospital Association for \$350,000. The total amount provided for the Cancer Data Registry of Idaho is \$576,000.

Agency Request	0.00	106,000	10,000	0	116,000
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Recommended by the Governor with ongoing funding from the Millennium Income Fund.

Governor's Recommendation	0.00	0	116,000	0	116,000
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24. Tuberculosis Program

Physical Health Services

The Physical Health Services Program requests a net increase of \$259,700 to shift the fund sources for staff that work to address the current and future threat of tuberculosis (TB). This includes an increase of \$272,600 from the General Fund and a decrease of \$12,900 from federal funds. The Tuberculosis Program is charged with ensuring that individuals with TB are isolated and treated to prevent the spread of the disease. This is done by publishing guidelines, providing support to the Public Health Districts for TB case management, home visits to ensure medicine is taken, consultation with health care providers, and identification and treatment for individuals at a higher risk of getting TB. Historically, the TB Program has been funded by federal grants, but federal financial support has decreased and continues to decrease; federal funds have decreased 24.8% from 2014. This request would allow the department to purchase TB medications (\$46,100), provide directly observed therapy (\$15,000), contract with a TB consultant (\$93,600), shift a portion of personnel costs to the General Fund (\$12,900), replace \$82,900 in federal fund trustee and benefit payments with General Fund money, and increase this amount to \$105,000. Since January 2015, there have been 29 reported cases of TB in Idaho. In comparison, there were 9,272 cases nationwide.

Agency Request	0.00	272,600	0	(12,900)	259,700
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Governor's Recommendation	0.00	272,600	0	(12,900)	259,700
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31. Food Protection Program

Physical Health Services

The Physical Health Services Program requests 1.00 FTP and \$25,700 in personnel costs from the General Fund to hire a food protection program specialist. The department's Food Protection Program is required in Chapter 16, Title 39, Idaho Code, to monitor and enforce food safety regulatory activities throughout the state by inspecting food establishments and providing food safety educational materials for food establishment management and employees; this requirement is met through a contract with Idaho's Public Health Districts. Because of the limited staffing (approximately 2.00 FTP) there is inconsistency from one health district to another. To assist the health districts with creating and implementing a standardized system, the department has hired a part-time temporary employee. This part-time program specialist works directly with the health districts to increase and improve statewide consistency in the delivery of the program and to ensure food safety regulations are followed. Further, the temporary employee is unable to provide enough support to all seven health districts when necessary, which is why the department is requesting an additional full-time position.

Agency Request	1.00	25,700	0	0	25,700
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Public Health Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
32. Chronic Disease Health Ed Specialist				Physical Health Services	
The Physical Health Services Program requests 1.00 FTP and \$27,500 from federal funds to hire a full-time health education specialist for chronic diseases. Currently, this work is being done by a temporary employee at 52 hours per pay period. This position will be located in the program's Bureau of Community and Environmental Health, and will assist other employees in the bureau with developing fact sheets, public reports, and other educational materials, as well as managing websites and social media pages. If the position is not approved, the program reports that it will need to contract out for the work at an estimated \$10 more per hour.					
Agency Request	1.00	0	0	27,500	27,500
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	1.00	0	0	32,400	32,400
FY 2020 Total					
Agency Request	244.02	10,216,000	44,623,900	70,273,100	125,113,000
Governor's Recommendation	243.02	10,116,200	44,768,200	70,359,500	125,243,900
Agency Request					
Change from Original App	7.00	1,303,400	368,400	2,653,900	4,325,700
% Change from Original App	3.0%	14.6%	0.8%	3.9%	3.6%
Governor's Recommendation					
Change from Original App	6.00	1,203,600	512,700	2,740,300	4,456,600
% Change from Original App	2.5%	13.5%	1.2%	4.1%	3.7%

Service Integration

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	735,900	756,300	736,500	740,600	742,000
Dedicated	69,500	60,000	69,500	69,500	69,500
Federal	5,256,700	4,405,800	5,261,500	5,289,500	5,301,600
Total:	6,062,100	5,222,100	6,067,500	6,099,600	6,113,100
Percent Change:		(13.9%)	16.2%	0.5%	0.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,321,500	2,154,200	2,328,200	2,354,300	2,367,800
Operating Expenditures	340,600	326,000	339,300	345,300	345,300
Capital Outlay	0	2,900	0	0	0
Trustee/Benefit	3,400,000	2,739,000	3,400,000	3,400,000	3,400,000
Total:	6,062,100	5,222,100	6,067,500	6,099,600	6,113,100
Full-Time Positions (FTP)	35.00	35.00	35.00	35.00	35.00

Division Description

Service Integration focuses on improving customer service to clients. Service integration is responsible for: 1) promoting coordination across programs; 2) delivering emergency assistance services through a consolidated unit; 3) identifying the services clients are accessing across all divisions and coordinating those services to reduce duplication; and 4) coordinating access to cross-divisional staffing for clients at risk of higher cost and/or more complicated service needs.

Service Integration became a stand-alone budgeted division in FY 2008. Programmatically, the services are performed within the Family and Community Services (FACS) Operational Division.

Service Integration

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	35.00	736,500	6,067,500	35.00	736,500	6,067,500
FY 2020 Base	35.00	736,500	6,067,500	35.00	736,500	6,067,500
Benefit Costs	0.00	700	7,000	0.00	(1,700)	(17,400)
Statewide Cost Allocation	0.00	1,500	6,000	0.00	1,500	6,000
Change in Employee Compensation	0.00	1,900	19,100	0.00	5,700	57,000
FY 2020 Total	35.00	740,600	6,099,600	35.00	742,000	6,113,100
Change from Original Appropriation	0.00	4,100	32,100	0.00	5,500	45,600
% Change from Original Appropriation		0.6%	0.5%		0.7%	0.8%

Service Integration

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	35.00	736,500	69,500	5,261,500	6,067,500
FY 2020 Base					
Agency Request	35.00	736,500	69,500	5,261,500	6,067,500
Governor's Recommendation	35.00	736,500	69,500	5,261,500	6,067,500

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	700	0	6,300	7,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(1,700)	0	(15,700)	(17,400)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$3,000.

This request also includes \$3,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	1,500	0	4,500	6,000
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Governor's Recommendation	0.00	1,500	0	4,500	6,000
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	1,900	0	17,200	19,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	5,700	0	51,300	57,000
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FY 2020 Total					
Agency Request	35.00	740,600	69,500	5,289,500	6,099,600
Governor's Recommendation	35.00	742,000	69,500	5,301,600	6,113,100
Agency Request					
Change from Original App	0.00	4,100	0	28,000	32,100
% Change from Original App	0.0%	0.6%	0.0%	0.5%	0.5%
Governor's Recommendation					
Change from Original App	0.00	5,500	0	40,100	45,600
% Change from Original App	0.0%	0.7%	0.0%	0.8%	0.8%

Substance Abuse Treatment & Prevention

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	2,475,200	2,475,000	2,733,200	4,831,500	1,193,300
Dedicated	1,180,900	1,051,100	1,341,100	1,341,600	1,342,100
Federal	11,169,600	11,366,800	13,132,000	15,299,600	15,306,600
Total:	14,825,700	14,892,900	17,206,300	21,472,700	17,842,000
Percent Change:		0.5%	15.5%	24.8%	3.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,427,100	1,065,700	1,436,700	1,453,100	1,462,400
Operating Expenditures	4,614,800	3,216,800	4,829,800	5,627,800	5,064,200
Capital Outlay	0	2,700	0	0	0
Trustee/Benefit	8,783,800	10,607,700	10,939,800	14,391,800	11,315,400
Total:	14,825,700	14,892,900	17,206,300	21,472,700	17,842,000
Full-Time Positions (FTP)	16.00	16.00	16.00	16.00	16.00

Division Description

The Substance Abuse Treatment and Prevention Program provides treatment services for children and adults. Until FY 2012, the Department of Health and Welfare also received an appropriation and managed services to the adult criminal justice population, the adolescent non-criminal justice and criminal justice populations, and Idaho Drug and Mental Health Courts. Services to these populations, and the associated funding, were transferred to the Department of Correction, the Department of Juvenile Corrections, and the Judicial Branch beginning in FY 2012.

Substance Abuse Treatment & Prevention

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	16.00	2,733,200	17,206,300	16.00	2,733,200	17,206,300
4. Already Approved Contract Increase	0.00	780,000	780,000	0.00	520,000	520,000
FY 2019 Total Appropriation	16.00	3,513,200	17,986,300	16.00	3,253,200	17,726,300
Removal of Onetime Expenditures	0.00	0	(1,955,000)	0.00	(520,000)	(2,475,000)
FY 2020 Base	16.00	3,513,200	16,031,300	16.00	2,733,200	15,251,300
Benefit Costs	0.00	800	4,000	0.00	(1,500)	(7,300)
Change in Employee Compensation	0.00	2,500	12,400	0.00	6,600	33,000
FY 2020 Program Maintenance	16.00	3,516,500	16,047,700	16.00	2,738,300	15,277,000
4. Non-Opioid Provider Treatment	0.00	2,050,000	2,050,000	0.00	0	0
22. Opioid Response Grant	0.00	0	4,110,000	0.00	0	4,110,000
30. Problem-Solving Courts Transfer	0.00	(735,000)	(735,000)	0.00	(735,000)	(735,000)
36. Medicaid Expansion	0.00	0	0	0.00	(1,200,000)	(1,200,000)
37. Annualized Contract Increase	0.00	0	0	0.00	390,000	390,000
FY 2020 Total	16.00	4,831,500	21,472,700	16.00	1,193,300	17,842,000
Change from Original Appropriation	0.00	2,098,300	4,266,400	0.00	(1,539,900)	635,700
% Change from Original Appropriation		76.8%	24.8%		(56.3%)	3.7%

Substance Abuse Treatment & Prevention

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	16.00	2,733,200	1,341,100	13,132,000	17,206,300

4. Already Approved Contract Increase

The Substance Abuse Treatment and Prevention Program requests \$780,000 in ongoing operating expenditures from the General Fund to bring its appropriation up to the amount needed for an increase in the administrative costs of the substance abuse management services contractor, BPA Health. The request is for a full 12-months of contract obligations. The contract is managed and overseen by the department, but the contract is for services provided to the Supreme Court, the Department of Correction, and the Department of Juvenile Corrections. The contractor oversees a network of private treatment providers to ensure that services are available to Idahoans associated with the aforementioned state agencies. The RFP for a new contract was issued in February 2018, awarded in May 2018, and signed in July 2018, with an effective date of November 1, 2018. The contract was awarded and signed without sufficient appropriation to meet the terms of the contract. Signing the contract contradicts prior statements from the Department of Administration's Division of Purchasing (DOP) that agencies must have sufficient appropriation to meet the needs of the contract. Further, Health and Welfare staff stated that they were unaware of the increase until after the contract was signed; this also contradicts policies for the Division of Purchasing. However, during the contracting process, and prior to final signatures, DHW was provided with an object-level breakdown of the contract costs by DOP, and at that time DHW informed DOP that they had the sufficient appropriation to meet the terms of the contract. None of the other state agencies are willing to financially support this increase as it is viewed as "the responsibility of the Department of Health and Welfare", but all support the supplemental request. In FY 2012, when substance abuse funding was separated out and appropriated to each entity, the contract remained in the department to simplify the process and minimize administrative costs; the new contract includes a flat monthly administrative fee of 18% or \$3.24 million a year. The total contract over three years, which includes claims payments, is for \$52.8 million or \$17.6 million a year.

Agency Request	0.00	780,000	0	0	780,000
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The Governor recommends \$520,000 onetime for eight months of the contract increase. The Governor also recommends \$390,000 in onetime General Fund appropriation for six months of FY 2020.

Governor's Recommendation	0.00	520,000	0	0	520,000
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FY 2019 Total Appropriation					
Agency Request	16.00	3,513,200	1,341,100	13,132,000	17,986,300
Governor's Recommendation	16.00	3,253,200	1,341,100	13,132,000	17,726,300

Removal of Onetime Expenditures

This action removes onetime funding for the appropriation related to a federal opioid program grant.

Agency Request	0.00	0	0	(1,955,000)	(1,955,000)
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The Governor recommends the removal of all onetime appropriation.

Governor's Recommendation	0.00	(520,000)	0	(1,955,000)	(2,475,000)
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FY 2020 Base					
Agency Request	16.00	3,513,200	1,341,100	11,177,000	16,031,300
Governor's Recommendation	16.00	2,733,200	1,341,100	11,177,000	15,251,300

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	800	100	3,100	4,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(1,500)	(200)	(5,600)	(7,300)
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Substance Abuse Treatment & Prevention

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	2,500	400	9,500	12,400
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	6,600	1,200	25,200	33,000
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FY 2020 Program Maintenance

Agency Request	16.00	3,516,500	1,341,600	11,189,600	16,047,700
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Governor's Recommendation	16.00	2,738,300	1,342,100	11,196,600	15,277,000
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4. Non-Opioid Provider Treatment

The Substance Abuse Treatment and Prevention Program requests \$2,050,000 in ongoing trustee and benefit payments from the General Fund to provide non-opioid substance abuse treatment services and recovery supports to an additional 820 Idahoans. This request equates to about \$2,500 per person in annual services. Services are provided to various populations including families involved in child protection, IV drug users, supervised misdemeanants, various specialty court participants, pregnant women and women with children, non-justice involved juveniles, and voluntarily committed adults.

Agency Request	0.00	2,050,000	0	0	2,050,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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22. Opioid Response Grant

The Substance Abuse Treatment and Prevention Program requests \$4,110,000 in onetime federal funds to continue addressing the opioid crisis in Idaho. Funding comes from the State Opioid Response (SOR) Grant. Of the total amount, 98% of the funding will be used for treatment services including medication assisted treatment and intensive outpatient services. The funding would also be used to distribute Narcan (naloxone) pharmaceuticals, provide recovery-based support services, and provide prescription monitoring. The grant is for just over \$4 million a year for two years, and the second year will be requested in FY 2021. Treating an individual with an opioid addiction as part of the medication assisted treatment costs approximately \$7,500 per person. The department will work with the Division of Public Health and the Office of Drug Policy to implement this grant.

Agency Request	0.00	0	0	4,110,000	4,110,000
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Governor's Recommendation	0.00	0	0	4,110,000	4,110,000
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30. Problem-Solving Courts Transfer

The Substance Abuse Treatment and Prevention Program requests a \$735,000 reduction in trustee and benefit payments from the General Fund and that these funds be added to the Idaho Supreme Court for substance abuse treatment services for individuals in the domestic violence problem-solving court and the misdemeanor problem-solving court. Currently, these dollars are paid from the department to the courts through an interagency billing process. A corresponding request is being made by the Supreme Court.

Agency Request	0.00	(735,000)	0	0	(735,000)
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Governor's Recommendation	0.00	(735,000)	0	0	(735,000)
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36. Medicaid Expansion

Agency Request	0.00	0	0	0	0
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The Governor recommends an ongoing reduction of \$1,200,000 from the General Fund with \$173,600 in operating expenditures and \$1,026,400 in trustee and benefit payments to account for program savings as a result of the passage of Medicaid expansion. The agency will request an additional \$1,200,000 be removed from the FY 2021 Base.

Governor's Recommendation	0.00	(1,200,000)	0	0	(1,200,000)
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Substance Abuse Treatment & Prevention

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
37. Annualized Contract Increase					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$390,000 in onetime General Fund appropriation for six months of FY 2020.</i>					
<i>The Governor also recommends \$520,000 onetime for eight months of the contract increase in FY 2019.</i>					
Governor's Recommendation	0.00	390,000	0	0	390,000
FY 2020 Total					
Agency Request	16.00	4,831,500	1,341,600	15,299,600	21,472,700
Governor's Recommendation	16.00	1,193,300	1,342,100	15,306,600	17,842,000
Agency Request					
Change from Original App	0.00	2,098,300	500	2,167,600	4,266,400
% Change from Original App	0.0%	76.8%	0.0%	16.5%	24.8%
Governor's Recommendation					
Change from Original App	0.00	(1,539,900)	1,000	2,174,600	635,700
% Change from Original App	0.0%	(56.3%)	0.1%	16.6%	3.7%

Division of Welfare

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Self-Reliance Operations	78,106,000	72,403,500	78,233,000	68,440,500	68,664,700
Benefit Payments	94,214,100	89,075,000	96,804,800	96,804,800	96,804,800
Total:	172,320,100	161,478,500	175,037,800	165,245,300	165,469,500
BY FUND CATEGORY					
General	43,270,700	42,262,300	43,445,400	43,653,000	43,733,000
Dedicated	7,630,900	6,291,400	8,089,600	5,030,600	5,036,000
Federal	121,418,500	112,924,800	123,502,800	116,561,700	116,700,500
Total:	172,320,100	161,478,500	175,037,800	165,245,300	165,469,500
Percent Change:		(6.3%)	8.4%	(5.6%)	(5.5%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	42,571,600	38,780,500	42,124,000	41,229,300	41,453,500
Operating Expenditures	35,534,400	33,549,100	36,109,000	27,211,200	27,211,200
Capital Outlay	0	73,900	0	0	0
Trustee/Benefit	94,214,100	89,075,000	96,804,800	96,804,800	96,804,800
Total:	172,320,100	161,478,500	175,037,800	165,245,300	165,469,500
Full-Time Positions (FTP)	621.55	620.50	619.50	618.50	618.50

Division Description

The Division of Welfare, also known as Self-Reliance, provides assistance and support services for eligible families and individuals. Programs administered by the division include: Child Support; Supplemental Nutrition Assistance Program (SNAP or Food Stamps); Child Care; Temporary Assistance for Families in Idaho (TAFI also known as TANF); and Aid to the Aged, Blind, and Disabled (AABD). The division also administers several programs through contracts with local partner organizations that provide food, energy assistance, telephone assistance, and weatherization assistance. In addition, the division determines Medicaid eligibility for the department and the eligibility determinations for the state insurance exchange. The division is organized in two programs:

Self-Reliance Operations is responsible for eligibility determinations and support functions associated with Self-Reliance programs. This includes all personnel and operating funding and functions for the division.

The Benefit Payments Program consists of the trustee and benefit payments to, and on behalf of, clients.

Division of Welfare Agency Profile

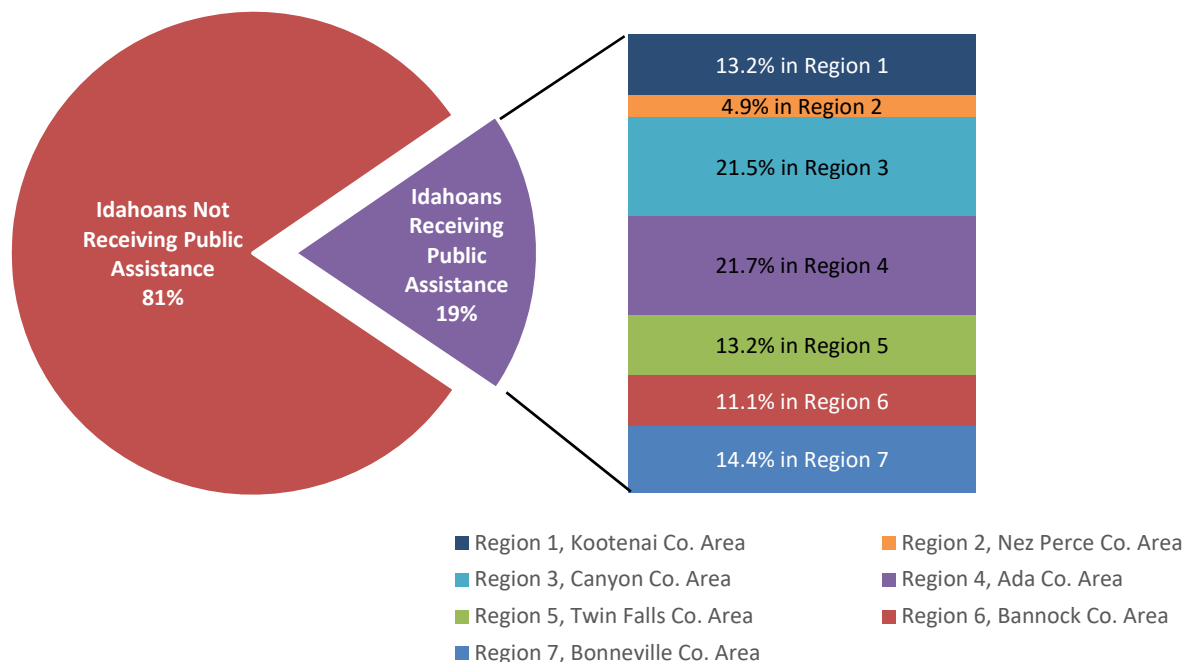
Analyst: Tatro

Public Assistance Recipients by Region and Program, June 2018

Region	Estimated Population	Cash Payments	Medicaid	Food Stamps	Child Care Assistance	Unduplicated Total
1	234,845 13.7%	3,276 1.4%	36,472 15.5%	20,776 8.8%	1,109 0.5%	42,995 18.3%
2	108,520 6.3%	1,573 1.4%	13,631 12.6%	7,864 7.2%	279 0.3%	16,012 14.8%
3	283,189 16.5%	4,638 1.6%	59,833 21.1%	35,111 12.4%	1,935 0.7%	70,022 24.7%
4	501,649 29.2%	5,431 1.1%	59,399 11.8%	35,042 7.0%	2,347 0.5%	70,457 14.0%
5	196,712 11.5%	2,255 1.1%	37,087 18.9%	18,517 9.4%	1,028 0.5%	42,815 21.8%
6	169,849 9.9%	2,548 1.5%	30,873 18.2%	17,946 10.6%	915 0.5%	36,217 21.3%
7	222,179 12.9%	1,958 0.9%	40,431 18.2%	20,238 9.1%	1,248 0.6%	46,875 21.1%
Total	1,716,943 100.0%	21,679 1.3%	277,726 16.2%	155,494 9.1%	8,861 0.5%	325,393 19.0%

Note: Estimated Population percentage represents regional share of the state's total population. Percentages under each program are the percentage of each region's population participating in that program. Individual recipients often receive assistance through more than one program, and the Column Total is an unduplicated count; the percentages in the last column reflect the percentage of each region's population receiving assistance from any listed program.

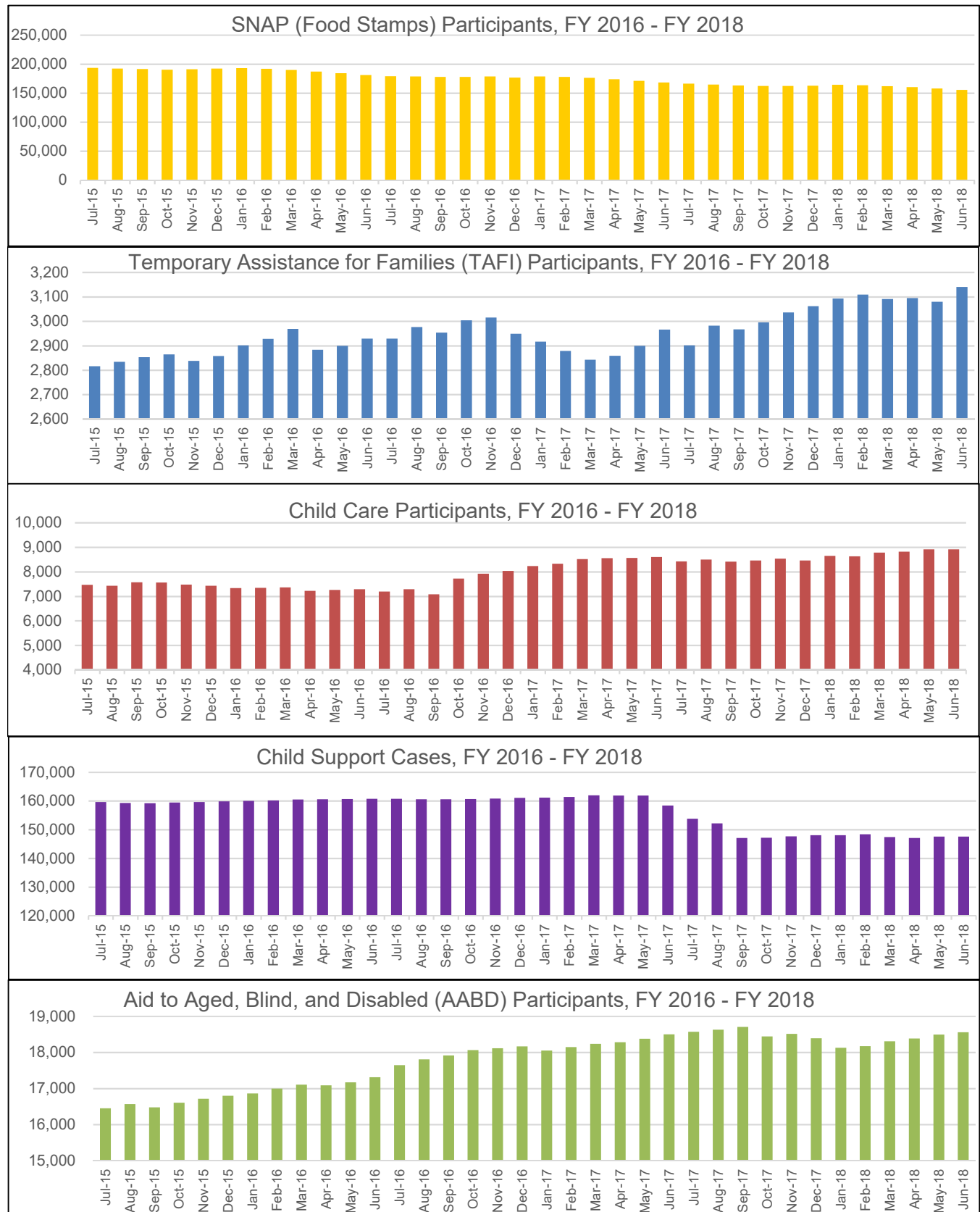
Percent of Idahoans Receiving Public Assistance, By Region, 2018



Division of Welfare

Agency Profile

Analyst: Tatro



Division of Welfare

Comparative Summary

Analyst: Tatro

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	619.50	43,445,400	175,037,800	619.50	43,445,400	175,037,800
5. Various Health Federal Grants	0.00	0	(1,000,000)	0.00	0	(1,000,000)
FY 2019 Total Appropriation	619.50	43,445,400	174,037,800	619.50	43,445,400	174,037,800
Noncognizable Funds and Transfers	(1.00)	0	(1,000,000)	(1.00)	0	(1,000,000)
FY 2019 Estimated Expenditures	618.50	43,445,400	173,037,800	618.50	43,445,400	173,037,800
Removal of Onetime Expenditures	0.00	0	(8,000,000)	0.00	0	(8,000,000)
Base Adjustments	0.00	0	(350,000)	0.00	0	(350,000)
FY 2020 Base	618.50	43,445,400	164,687,800	618.50	43,445,400	164,687,800
Benefit Costs	0.00	44,100	123,500	0.00	(103,700)	(290,700)
Statewide Cost Allocation	0.00	45,100	102,200	0.00	45,100	102,200
Change in Employee Compensation	0.00	118,400	331,800	0.00	346,200	970,200
FY 2020 Total	618.50	43,653,000	165,245,300	618.50	43,733,000	165,469,500
Change from Original Appropriation	(1.00)	207,600	(9,792,500)	(1.00)	287,600	(9,568,300)
% Change from Original Appropriation		0.5%	(5.6%)		0.7%	(5.5%)

Division of Welfare

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	619.50	43,445,400	8,089,600	123,502,800	175,037,800

5. Various Health Federal Grants

Self-Reliance Operations

The department requests a program transfer of \$1,000,000 in federal funds from the Self-Reliance Operations Program to the Physical Health Services Program for 11 federal grants that have been awarded to the Physical Health Services Program. Grants include funding for opioids, oral health, immunizations, abstinence, physical activity and nutrition, and chronic diseases. Rather than requesting new appropriation, the department was able to identify existing appropriation amounts in several programs that are in excess of estimated needs. As a result, this department-wide request has an overall net-zero impact on the department's federal fund appropriation. The appropriation will increase in the Physical Health Services Program by 6.00 FTP and \$5,850,000. The appropriation will be reduced by \$5,850,000 in five programs and includes \$1,000,000 from Self-Reliance Operations, \$300,000 from Emergency Medical Services, \$3,100,000 from Healthcare Policy Initiatives, \$750,000 from the Southwest Idaho Treatment Center, and \$700,000 from Medicaid Administration.

Agency Request	0.00	0	0	(1,000,000)	(1,000,000)
Governor's Recommendation	0.00	0	0	(1,000,000)	(1,000,000)

FY 2019 Total Appropriation					
Agency Request	619.50	43,445,400	8,089,600	122,502,800	174,037,800
Governor's Recommendation	619.50	43,445,400	8,089,600	122,502,800	174,037,800

Noncognizable Funds and Transfers

This action transfers 1.00 FTP from the Self-Reliance Operations Program to Indirect Support Services for a newly created position for IT systems oversight. Also requested is a program transfer of \$1,000,000 in onetime operating expenditures in federal funds to the Foster Care and Assistance Payments Program to support placement and substance abuse treatments.

Agency Request	(1.00)	0	0	(1,000,000)	(1,000,000)
Governor's Recommendation	(1.00)	0	0	(1,000,000)	(1,000,000)

FY 2019 Estimated Expenditures					
Agency Request	618.50	43,445,400	8,089,600	121,502,800	173,037,800
Governor's Recommendation	618.50	43,445,400	8,089,600	121,502,800	173,037,800

Removal of Onetime Expenditures

This action removes \$8,000,000 for the third and final year of the Child Support Enforcement System replacement.

Agency Request	0.00	0	(2,720,000)	(5,280,000)	(8,000,000)
Governor's Recommendation	0.00	0	(2,720,000)	(5,280,000)	(8,000,000)

Base Adjustments

This adjustment makes the \$1,000,000 program transfer in operating expenditures from the Self-Reliance Operations Program to the Foster Care and Assistance Payments Program ongoing. It also reduces the FY 2020 Base by \$350,000 in dedicated fund personnel costs to align the appropriation with estimated ongoing revenue.

Agency Request	0.00	0	(350,000)	0	(350,000)
Governor's Recommendation	0.00	0	(350,000)	0	(350,000)

FY 2020 Base					
Agency Request	618.50	43,445,400	5,019,600	116,222,800	164,687,800
Governor's Recommendation	618.50	43,445,400	5,019,600	116,222,800	164,687,800

Division of Welfare

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	44,100	3,000	76,400	123,500
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(103,700)	(7,000)	(180,000)	(290,700)

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$52,000.

This request also includes \$50,200 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	45,100	0	57,100	102,200
Governor's Recommendation	0.00	45,100	0	57,100	102,200

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	118,400	8,000	205,400	331,800
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	346,200	23,400	600,600	970,200

FY 2020 Total					
Agency Request	618.50	43,653,000	5,030,600	116,561,700	165,245,300
Governor's Recommendation	618.50	43,733,000	5,036,000	116,700,500	165,469,500

Agency Request					
Change from Original App	(1.00)	207,600	(3,059,000)	(6,941,100)	(9,792,500)
% Change from Original App	(0.2%)	0.5%	(37.8%)	(5.6%)	(5.6%)
Governor's Recommendation					
Change from Original App	(1.00)	287,600	(3,053,600)	(6,802,300)	(9,568,300)
% Change from Original App	(0.2%)	0.7%	(37.7%)	(5.5%)	(5.5%)

Healthcare Policy Initiatives

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	255,700	256,100	251,500	540,500	410,800
Dedicated	0	0	0	399,100	347,200
Federal	12,687,000	9,885,500	17,693,900	356,300	541,400
Total:	12,942,700	10,141,600	17,945,400	1,295,900	1,299,400
Percent Change:		(21.6%)	76.9%	(92.8%)	(92.8%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	689,700	587,800	696,600	605,300	608,800
Operating Expenditures	11,378,000	7,014,000	16,373,800	190,600	190,600
Capital Outlay	0	500	0	0	0
Trustee/Benefit	875,000	2,539,300	875,000	500,000	500,000
Total:	12,942,700	10,141,600	17,945,400	1,295,900	1,299,400
Full-Time Positions (FTP)	7.60	7.60	7.60	7.00	7.00

Division Description

The program was established in 2015 and is responsible for the administration of the State Healthcare Innovation Plan (SHIP) and other statewide health-policy initiatives focused on improving Idaho's health care system. Specific functions include developing, managing, and reporting on numerous contracts with a variety of contractors with expertise in different aspects of healthcare system transformation. Contract subject areas may include medical home transformation, health information technology expansion, data analytics, quality measurement, and tele-health.

Healthcare Policy Initiatives

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	7.60	251,500	17,945,400	7.60	251,500	17,945,400
5. Various Health Federal Grants	0.00	0	(3,100,000)	0.00	0	(3,100,000)
1. Graduate Medical Education	0.00	(107,800)	(375,000)	0.00	(107,800)	(375,000)
FY 2019 Total Appropriation	7.60	143,700	14,470,400	7.60	143,700	14,470,400
Removal of Onetime Expenditures	0.00	0	(5,000,000)	0.00	0	(5,000,000)
Base Adjustments	(7.60)	0	(8,970,400)	(7.60)	0	(8,970,400)
FY 2020 Base	0.00	143,700	500,000	0.00	143,700	500,000
7. Health Care Reform	7.00	396,800	795,900	7.00	267,100	799,400
FY 2020 Total	7.00	540,500	1,295,900	7.00	410,800	1,299,400
Change from Original Appropriation	(0.60)	289,000	(16,649,500)	(0.60)	159,300	(16,646,000)
% Change from Original Appropriation		114.9%	(92.8%)		63.3%	(92.8%)

Healthcare Policy Initiatives

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	7.60	251,500	0	17,693,900	17,945,400

5. Various Health Federal Grants

The department requests a program transfer of \$3,100,000 in federal funds from the Health Care Policy Initiatives Program to the Physical Health Services Program for 11 federal grants that have been awarded to the Physical Health Services Program. Grants include funding for opioids, oral health, immunizations, abstinence, physical activity and nutrition, and chronic diseases. Rather than requesting new appropriation, the department was able to identify existing appropriation amounts in several programs that are in excess of estimated needs. As a result, this department-wide request has an overall net-zero impact on the department's federal fund appropriation. The appropriation will increase in the Physical Health Services Program by 6.00 FTP and \$5,850,000. The appropriation will be reduced by \$5,850,000 in five programs and includes \$1,000,000 from Self-Reliance Operations, \$300,000 from Emergency Medical Services, \$3,100,000 from Healthcare Policy Initiatives, \$750,000 from the Southwest Idaho Treatment Center, and \$700,000 from Medicaid Administration.

Agency Request	0.00	0	0	(3,100,000)	(3,100,000)
Governor's Recommendation	0.00	0	0	(3,100,000)	(3,100,000)

1. Graduate Medical Education

The Healthcare Policy Initiatives Program requests a \$375,000 rescission in ongoing trustee and benefit payments for the portion of the appropriation that was provided for Graduate Medical Education (GME) at Idaho State University. In FY 2018, the Governor recommended an ongoing appropriation from the General Fund and federal funds for additional medical residency program support to address Idaho's physician shortage. The increase in graduate medical education funding was recommended and appropriated to expand programs at the Boise Family Medicine Residency Program, the Idaho State University Family Medicine Residency Program, and the University of Washington Internal Medicine Program. The recommended funding totaled \$2,425,000 and was split between the Office of the State Board of Education (\$1,550,000 in General Fund) and the Department of Health and Welfare (\$251,500 in General Fund, \$623,500 in federal funds). The recommendation for the Department of Health and Welfare consisted of Medicaid allowable expenses, whereas the recommendation for the Office of the State Board of Education consists of non-allowable Medicaid expenses. However, shortly after the appropriation was set, it became apparent that ISU would not be able to use the federal match. The Department of Health and Welfare and ISU tried to find workable solutions throughout FY 2018. However, when no solution was identified, the department, with support from the Division of Financial Management, provided only the General Fund to ISU because ISU had already hired individuals to support new residencies, even though it contradicted the Governor's recommendation and the action taken by JFAC.

Agency Request	0.00	(107,800)	0	(267,200)	(375,000)
Governor's Recommendation	0.00	(107,800)	0	(267,200)	(375,000)

FY 2019 Total Appropriation					
Agency Request	7.60	143,700	0	14,326,700	14,470,400
Governor's Recommendation	7.60	143,700	0	14,326,700	14,470,400

Removal of Onetime Expenditures

This action removes \$5,000,000 in onetime funding that was appropriated for the last year of the SHIP grant.

Agency Request	0.00	0	0	(5,000,000)	(5,000,000)
Governor's Recommendation	0.00	0	0	(5,000,000)	(5,000,000)

Base Adjustments

This adjustment transfers \$52,000 in personnel costs from federal funds to the Physical Health Services Program. It also removes 7.60 FTP and \$8,918,400 in federal funds as a result of the SHIP grant ending. This resets the base to only include \$500,000 for Graduate Medical Education at the Boise Family Medicine Residency Program.

Agency Request	(7.60)	0	0	(8,970,400)	(8,970,400)
Governor's Recommendation	(7.60)	0	0	(8,970,400)	(8,970,400)

Healthcare Policy Initiatives

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Base					
Agency Request	0.00	143,700	0	356,300	500,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>143,700</i>	<i>0</i>	<i>356,300</i>	<i>500,000</i>

7. Health Care Reform

The department requests 7.00 FTP and \$795,900 to continue efforts in payment reform for health care related costs. The request includes \$605,300 in ongoing personnel costs, and \$190,600 in ongoing operating expenditures. Funding for the request includes \$396,800 from the General Fund and \$399,100 from dedicated funds, with dedicated revenue being anticipated from private and public grants; however, the department does not have any financial commitments from these sources as of its revised budget request. Starting in FY 2015, the department has been working on health care payment reform with almost \$40 million in funding from a federal State Innovation Model Grant. That grant is set to expire in January 2019. Funding included in this request will be used to expand beyond its primary-care focus through initiatives that engage specialists, hospitals, behavioral health providers, and others along with the primary-care community. Funding for these expanded projects will be provided through private grants and other sources, guided by the Healthcare Transformation Council of Idaho (HTCI). According to the department's budget submission, the General Fund would "fund the resources and infrastructure needed to take implement the next phase of Medicaid payment reform, support and facilitate HTCI, its workgroups as well as address initiatives identified." If the General Fund amount is approved, the department requests that this office be charged with assessing the state's and department's health services performance by identifying programmatic and policy gaps, and by developing recommendations for improvements, cost reductions, and deployment of resources. No additional information was provided by the department on how the funds will be specifically used; the request focuses on high-level concepts and overarching processes.

Four of the seven positions are currently employed with the department and the remaining three would be hired at the start of the fiscal year. Operating expenditures include funding for contractual services that include an actuarial analysis and consultant support, office supplies, travel expenses, and other indirect costs.

Agency Request	7.00	396,800	399,100	0	795,900
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Recommended by the Governor with a shift of \$185,100 from the General Fund to federal funds with the intent that the program maximize federal funds available through the agency's applicable federal grants and through the cost allocation process.

<i>Governor's Recommendation</i>	<i>7.00</i>	<i>267,100</i>	<i>347,200</i>	<i>185,100</i>	<i>799,400</i>
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FY 2020 Total					
Agency Request	7.00	540,500	399,100	356,300	1,295,900
<i>Governor's Recommendation</i>	<i>7.00</i>	<i>410,800</i>	<i>347,200</i>	<i>541,400</i>	<i>1,299,400</i>

Agency Request

Change from Original App	(0.60)	289,000	399,100	(17,337,600)	(16,649,500)
% Change from Original App	(7.9%)	114.9%		(98.0%)	(92.8%)

Governor's Recommendation

<i>Change from Original App</i>	<i>(0.60)</i>	<i>159,300</i>	<i>347,200</i>	<i>(17,152,500)</i>	<i>(16,646,000)</i>
<i>% Change from Original App</i>	<i>(7.9%)</i>	<i>63.3%</i>		<i>(96.9%)</i>	<i>(92.8%)</i>

Licensing and Certification

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,827,900	1,937,600	1,964,000	2,104,700	1,998,100
Dedicated	810,200	797,000	818,400	827,600	834,700
Federal	4,257,600	4,203,800	4,539,100	4,704,000	4,617,200
Total:	6,895,700	6,938,400	7,321,500	7,636,300	7,450,000
Percent Change:		0.6%	5.5%	4.3%	1.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	5,986,000	5,583,000	6,386,200	6,689,200	6,516,400
Operating Expenditures	909,700	1,348,000	930,400	947,100	933,600
Capital Outlay	0	7,400	4,900	0	0
Total:	6,895,700	6,938,400	7,321,500	7,636,300	7,450,000
Full-Time Positions (FTP)	67.90	69.90	71.90	74.90	71.90

Division Description

Licensing and Certification became a new budgeted program in FY 2013. This program surveys, inspects, licenses, and certifies health care facilities that require certification or licensure by either state or federal requirements. The program investigates complaints, conducts on-site surveys, and takes appropriate licensure action to protect the health and safety of vulnerable people receiving health-related services and support.

Licensing and Certification

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	71.90	1,964,000	7,321,500	71.90	1,964,000	7,321,500
Removal of Onetime Expenditures	0.00	(1,600)	(4,900)	0.00	(1,600)	(4,900)
FY 2020 Base	71.90	1,962,400	7,316,600	71.90	1,962,400	7,316,600
Benefit Costs	0.00	4,800	18,200	0.00	(7,200)	(27,600)
Statewide Cost Allocation	0.00	1,500	3,200	0.00	1,500	3,200
Change in Employee Compensation	0.00	14,500	55,200	0.00	41,400	157,800
FY 2020 Program Maintenance	71.90	1,983,200	7,393,200	71.90	1,998,100	7,450,000
16. Additional Long Term Care Staff	3.00	121,500	243,100	0.00	0	0
FY 2020 Total	74.90	2,104,700	7,636,300	71.90	1,998,100	7,450,000
Change from Original Appropriation	3.00	140,700	314,800	0.00	34,100	128,500
% Change from Original Appropriation		7.2%	4.3%		1.7%	1.8%

Licensing and Certification

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	71.90	1,964,000	818,400	4,539,100	7,321,500

Removal of Onetime Expenditures

This action removes onetime funding for computers and office supplies for new positions added in FY 2019.

Agency Request	0.00	(1,600)	0	(3,300)	(4,900)
Governor's Recommendation	0.00	(1,600)	0	(3,300)	(4,900)

FY 2020 Base					
Agency Request	71.90	1,962,400	818,400	4,535,800	7,316,600
Governor's Recommendation	71.90	1,962,400	818,400	4,535,800	7,316,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	4,800	2,300	11,100	18,200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(7,200)	(3,500)	(16,900)	(27,600)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$1,800.

This request also includes \$1,400 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to the Department of Health and Welfare is 20.8%.

Agency Request	0.00	1,500	0	1,700	3,200
Governor's Recommendation	0.00	1,500	0	1,700	3,200

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	14,500	6,900	33,800	55,200
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	41,400	19,800	96,600	157,800
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FY 2020 Program Maintenance					
Agency Request	71.90	1,983,200	827,600	4,582,400	7,393,200
Governor's Recommendation	71.90	1,998,100	834,700	4,617,200	7,450,000

Licensing and Certification

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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16. Additional Long Term Care Staff

The Licensing and Certification Division requests 3.00 FTP and \$243,100 to hire three new positions in the division: two positions to assist in the Long Term Care (LTC) Program, and one position to support the Residential Assisted Living Facility (RALF) Program. The request includes \$229,500 in ongoing personnel costs, \$6,000 in ongoing operating expenditures, and \$7,500 in onetime operating expenditures. The LTC program licenses and federally certifies nursing facilities and conducts complaint investigations to ensure facilities meet state and federal requirements. The two positions being requested would be licensed registered nurses and be hired as facility surveyors to work as quality assurance nurses. These positions would be hired with a salary of \$29.83 per hour, plus benefits, or at 104.1% of policy. These positions would be charged with providing technical assistance and training to nursing facility management and staff to help them meet federal certification requirements and prepare for recertification and follow-up surveys. These positions would not be a part of the survey teams, but rather assist the facilities at scheduled times that are convenient for both parties. The request is being made on behalf of the Idaho Health Care Association and providers in long term care. It was believed by the stakeholders that these positions would improve the communication and survey process for licensees.

The technical records specialist in the RALF program would be hired at 80% of policy or \$16.57 per hour plus benefits. This position would be responsible for assisting the program by processing applications, handling and managing other paperwork, managing the programs website, providing phone support, and other administrative functions.

The request includes \$3,700 from the General Fund and \$3,800 in federal funds in onetime operating expenditures for the purchase of office equipment and supplies.

Agency Request	3.00	121,500	0	121,600	243,100
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Total					
Agency Request	74.90	2,104,700	827,600	4,704,000	7,636,300
Governor's Recommendation	71.90	1,998,100	834,700	4,617,200	7,450,000

Agency Request

Change from Original App	3.00	140,700	9,200	164,900	314,800
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% Change from Original App	4.2%	7.2%	1.1%	3.6%	4.3%
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Governor's Recommendation

Change from Original App	0.00	34,100	16,300	78,100	128,500
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% Change from Original App	0.0%	1.7%	2.0%	1.7%	1.8%
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Public Health Districts

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	9,341,700	9,341,700	9,421,600	9,684,900	9,709,900
Dedicated	750,000	742,600	750,000	770,200	773,600
Total:	10,091,700	10,084,300	10,171,600	10,455,100	10,483,500
Percent Change:		(0.1%)	0.9%	2.8%	3.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	8,746,300	8,673,100	8,815,700	8,957,200	9,004,800
Operating Expenditures	1,345,400	1,411,200	1,355,900	1,497,900	1,478,700
Total:	10,091,700	10,084,300	10,171,600	10,455,100	10,483,500

Department Description

The mission of the seven Public Health Districts is to prevent disease, disability, and premature death; to promote healthy lifestyles; and to protect and promote the health and quality of our environment.

Idaho's seven health districts provide health services throughout the state. Each district works under the direction of its own board of health, appointed by county commissioners within each region. The districts are not part of any state agency, but they work in partnership with the Department of Health and Welfare and other state entities to deliver services and disburse public information to local communities.

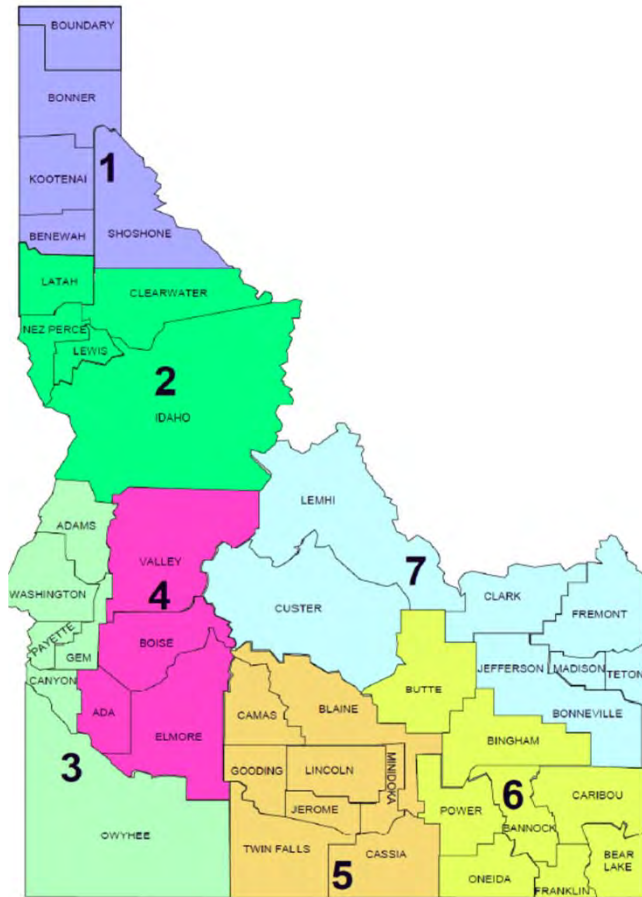
Public Health Districts

Agency Profile

Analyst: Tatro

Organization

District Office Locations



Health District 1

Sandpoint
St. Maries
Hayden
Kellogg
Bonners Ferry

Health District 2

Lewiston Orofino
Moscow Grangeville
Kamiah

Health District 3

Payette
Emmett
Weiser
Caldwell
Homedale

Health District 4

Boise
McCall
Mountain Home

Health District 6

Malad Montpelier
Pocatello Blackfoot
Preston Soda Springs
Arco American Falls
Aberdeen Fort Hall

Health District 5

Twin Falls
Heyburn
Jerome
Shoshone
Bellevue
Gooding

Health District 7

Dubois Idaho Falls
Challis St. Anthony
Rigby Salmon
Rexburg Driggs
Mud Lake Mackay

Fiscal Year	FTP	Appropriated (\$)		Non-Appropriated (\$)			Total (\$)
		General Fund	Millennium Fund	County	Contracts	Fees/Other	
FY 2012	618.13	7,845,100	250,000	7,746,400	23,225,500	9,240,900	48,307,900
FY 2013	598.25	8,136,100	400,000	7,929,300	22,381,100	9,375,100	48,221,600
FY 2014	605.79	8,232,500	500,000	8,037,700	22,495,800	10,008,000	49,274,000
FY 2015	623.47	8,531,200	750,000	8,351,400	22,502,600	10,245,600	50,380,800
FY 2016	624.61	8,719,200	750,000	8,639,600	25,280,400	13,291,500	56,680,700
FY 2017	632.06	9,289,500	750,000	8,768,600	27,778,800	11,762,100	58,349,000
FY 2018	632.06	9,341,700	750,000	9,093,100	27,547,600	14,298,600	61,031,000
FY 2019*	627.39	9,421,600	750,000	9,174,300	27,748,400	12,602,500	59,696,800
FY 2020*	608.66	9,684,900	770,200	9,457,300	27,978,700	13,469,600	61,360,700

* As indicated in the budget request for FY 2020.

Public Health Districts

Overview, Budget, & Fund Information

Analyst: Tatro

Public Health Districts are established in Chapter 4, Title 39, Idaho Code. They are not state agencies and are considered independent bodies corporate and politic, pursuant to Section 1, Article VIII of the Idaho Constitution. Employees of the health districts are not state employees. However, pursuant to Section 39-425, Idaho Code, districts must budget for employee participation in the state's retirement system and comply with the state merit system. Payroll and accounting services are provided by the office of the State Controller, and audits are conducted by the Legislative Audits Division.

Budget Development Process

In April of each year, each health district submits a preliminary budget to its Board of Health. This proposal is presented for public comment. The final budget is approved by the Board of Health Budget Committees with the estimated cost to each county. The decision of the budget committee is binding upon all counties within the district and the district itself.

70% of county contributions are apportioned by population as determined by the last general census when applicable, or by the Idaho Department of Commerce.

30% of county contributions are apportioned by taxable market value for assessment purposes as computed by the County Assessor and certified by the Tax Commission.

Each of the seven district budgets is combined into a single budget request that is made to the state for the state funds required in Section 39-425, Idaho Code.

Public Health District Funding

County Revenue

Each Board of County Commissioners is authorized to levy a special tax for preventive health services; health districts do not have taxing authority. The county tax cannot exceed four hundredths of a percent (.04%) above the statutory limitation of market value, for assessment purposes, of all taxable property in the county.

Other revenue sources include contracts and grants with the Department of Environmental Quality, Department of Health and Welfare, local grants applied for and received, private donations; fees for services provided; third party insurance reimbursements; Medicare; and Medicaid.

State Appropriations

Pursuant to Section 39-425, Idaho Code, the Public Health Districts' budget request shall include a minimum of 67% of the amounts pledged by each county for taxes raised pursuant to Section 31-862, Idaho Code.

General Fund Appropriation and Transfer to Public Health District Fund, Section 39-422, Idaho Code
-Half of the appropriated funds are distributed in July and half are distributed in January.

The Board of Trustees, as established in Section 39-411, Idaho Code, are the seven members (one per district) that allocate the appropriation to the districts, in accordance with Section 39-425, Idaho Code. For FY 2019 the board-developed formula is: county contributions (67%); and of the remaining amount (33%) the money is allocated based on population (50%); minimum base amount (18%); Health Professional Shortage Area (HPSA) score (18%); and poverty (14%). During the 2018 legislative session, the Legislature passed H562a, which requires the board of trustees to maintain the same formula for a two year period.

Starting in FY 2018, the Health Districts were appropriated ongoing Millennium Income Funds.

Public Health Districts

Funding Formula & General Fund Allocation

Analyst: Tatro

Supporting Data

	2018 County Pledge	Population 3-Year Average	HPSA Score	Population in Poverty 3-Year Average
District 1	\$1,213,493	229,975	14.2%	33,287
District 2	\$805,201	107,991	14.9%	16,761
District 3	\$1,301,889	277,640	14.1%	44,021
District 4	\$2,298,432	488,854	11.5%	53,752
District 5	\$1,184,642	194,351	14.6%	27,518
District 6	\$1,168,662	170,565	15.2%	26,704
District 7	\$1,120,703	215,627	15.6%	32,720
Total	\$9,093,022	1,685,003	100.0%	234,763

Moneys from the General Fund Appropriation are allocated based on five factors: 1) County Contributions; 2) Population; 3) Minimum Base Amount; 4) Health Professional Shortage Area (HPSA); and 5) Percent of Population in Poverty. The distribution is shown in the table below.

Funding Formula Breakdown

	County Contributions	Population	Minimum Amount	HPSA Score	Poverty
	67%	17%	6%	6%	5%
District 1	\$813,040	\$225,011	\$84,787	\$84,245	\$65,453
District 2	\$539,485	\$105,661	\$84,787	\$88,322	\$32,957
District 3	\$872,266	\$271,648	\$84,787	\$83,792	\$86,560
District 4	\$1,539,949	\$478,304	\$84,787	\$67,940	\$105,693
District 5	\$793,710	\$190,157	\$84,787	\$86,623	\$54,109
District 6	\$783,004	\$166,884	\$84,787	\$90,020	\$52,508
District 7	\$750,871	\$210,974	\$84,787	\$92,568	\$64,339
Total	\$6,092,325	\$1,648,639	\$593,510	\$593,510	\$461,619

Total FY 2019 General Fund Allocation, Rounded

	Percent of Total	Total Amount
District 1	13.6%	\$1,272,500
District 2	9.1%	\$851,200
District 3	14.9%	\$1,399,100
District 4	24.2%	\$2,276,700
District 5	12.9%	\$1,209,400
District 6	12.5%	\$1,177,200
District 7	12.8%	\$1,203,500
State Total	100%	\$9,389,600

Public Health Districts

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	9,421,600	10,171,600	0.00	9,421,600	10,171,600
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	0.00	9,421,600	10,171,600	0.00	9,421,600	10,171,600
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	0.00	9,421,600	10,171,600	0.00	9,421,600	10,171,600
Benefit Costs	0.00	30,500	31,900	0.00	(56,300)	(58,500)
Inflationary Adjustments	0.00	27,000	37,000	0.00	7,200	10,200
Statewide Cost Allocation	0.00	16,900	22,500	0.00	16,900	22,500
Change in Employee Compensation	0.00	68,800	72,000	0.00	201,100	210,700
FY 2020 Program Maintenance	0.00	9,564,800	10,335,000	0.00	9,590,500	10,356,500
1. Improved Health Transformations	0.00	120,100	120,100	0.00	119,400	119,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	7,600
FY 2020 Total	0.00	9,684,900	10,455,100	0.00	9,709,900	10,483,500
Change from Original Appropriation	0.00	263,300	283,500	0.00	288,300	311,900
% Change from Original Appropriation		2.8%	2.8%		3.1%	3.1%

Public Health Districts

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	9,421,600	750,000	0	10,171,600

Noncognizable Funds and Transfers

This action transfers \$53,000 from personnel costs to operating expenditures from the Idaho Millennium Income Fund, onetime.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Estimated Expenditures					
Agency Request	0.00	9,421,600	750,000	0	10,171,600
Governor's Recommendation	0.00	9,421,600	750,000	0	10,171,600

Base Adjustments

This adjustment restores \$53,000 to personnel costs, and transfers \$53,000 from personnel costs to operating expenditures from the Idaho Millennium Income Fund, ongoing.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	0.00	9,421,600	750,000	0	10,171,600
Governor's Recommendation	0.00	9,421,600	750,000	0	10,171,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year. Benefit changes associated with the General Fund and the Millennium Income Fund account for 19.7% of all benefit changes or the equivalent of about 120.00 FTP.

Agency Request	0.00	30,500	1,400	0	31,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%. These adjustments are for the General Fund and Millennium Income Fund.

Governor's Recommendation	0.00	(56,300)	(2,200)	0	(58,500)
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Inflationary Adjustments

The Public Health Districts request \$26,800 for increased costs related to medical expenses and general operations. The request includes \$10,200 related to medical supplies, and \$26,800 for general services and supplies. This request reflects the General Fund and Millennium Fund portion or about 11.6% of the total inflationary adjustment request.

Agency Request	0.00	27,000	10,000	0	37,000
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The Governor recommends funding for medical inflation only and this recommendation includes adjustments for the General Fund and Millennium Income Fund.

Governor's Recommendation	0.00	7,200	3,000	0	10,200
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$16,000, and State Controller fees will increase by \$6,500, for a net increase of \$22,500. The overall indirect cost recovery amount for all Statewide Cost Allocation Programs and for all appropriated and non-appropriated funds will be an increase of \$153,500. The Health Districts have an indirect cost recovery total base amount of \$539,900 with about 15% allocated to the General Fund and the Millennium Income Fund.

Agency Request	0.00	16,900	5,600	0	22,500
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Governor's Recommendation	0.00	16,900	5,600	0	22,500
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Public Health Districts

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees. This request includes only the General Fund and the Millennium Income Fund portion of a 1% calculation.

Agency Request	0.00	68,800	3,200	0	72,000
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. These adjustments are for the General Fund and Millennium Income Fund. The Governor recommends the pay structure for state employees be moved by 2% and includes \$700 from the General Fund for that purpose.

Governor's Recommendation	0.00	201,100	9,600	0	210,700
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FY 2020 Program Maintenance

Agency Request	0.00	9,564,800	770,200	0	10,335,000
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Governor's Recommendation	0.00	9,590,500	766,000	0	10,356,500
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1. Improved Health Transformations

Health Districts 3 and 4

Public Health Districts 3 and 4 request \$120,100 onetime from the General Fund to continue with health care transformation efforts for work related to the Department of Health and Welfare's SHIP Grant. Of the request, \$90,600 is for personnel costs and \$29,500 is for operating expenditures. The funding will be used in partnership between the districts with the primary staff person residing in District 4, but will provide services to all ten counties in southwest Idaho under the direction of a Regional Health Collaborative (RHC). The intent is that funding will be requested again next year and over time these funds can transition to other districts for similar purposes and alternative funding sources can then be used to cover the personnel and operating costs. The primary responsibilities for the position include building partnerships to maintain a diverse RHC membership; provide administrative and operational support for RHC meetings; assist in the determination of shared community health priorities; develop, facilitate, and guide stakeholder workgroups; identify alternative sources of funding; and act as a liaison to the various partners.

Agency Request	0.00	120,100	0	0	120,100
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Recommended by the Governor with changes for benefits and compensation.

Governor's Recommendation	0.00	119,400	0	0	119,400
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GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	7,600	0	7,600
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FY 2020 Total

Agency Request	0.00	9,684,900	770,200	0	10,455,100
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Governor's Recommendation	0.00	9,709,900	773,600	0	10,483,500
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Agency Request

Change from Original App	0.00	263,300	20,200	0	283,500
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% Change from Original App		2.8%	2.7%		2.8%
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Governor's Recommendation

Change from Original App	0.00	288,300	23,600	0	311,900
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% Change from Original App		3.1%	3.1%		3.1%
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State Independent Living Council

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	214,700	214,700	223,700	225,600	227,700
Dedicated	353,000	215,500	356,400	360,400	366,800
Federal	173,400	0	117,700	118,200	117,700
Total:	741,100	430,200	697,800	704,200	712,200
Percent Change:		(42.0%)	62.2%	0.9%	2.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	427,200	290,700	431,000	436,400	439,600
Operating Expenditures	213,300	139,500	216,500	217,500	222,300
Trustee/Benefit	100,600	0	50,300	50,300	50,300
Total:	741,100	430,200	697,800	704,200	712,200
Full-Time Positions (FTP)	4.00	4.00	4.00	4.00	4.00

Department Description

The Idaho State Independent Living Council (SILC) is actively engaged in activities that assist in providing Idahoans across disabilities and age a greater voice in obtaining services that are consumer-responsive, cost-effective, and community-based. SILC is a mandatory state agency if Idaho wishes to receive federal financial assistance under Title VII of the Federal Rehabilitation Act. As provided in Section 56-1201, Idaho Code, "[i]t is legislative intent that the Idaho state independent living council operate and be recognized not as a state agency or department, but as a governmental entity whose creation has been authorized by the state, much in the same manner as other single purpose districts."

The duties of SILC are directed in Title VII of the Rehabilitation Act of 1973, as amended in 2014 to include: working in cooperation with the Centers for Independent Living (CILs); developing, submitting, monitoring, and evaluating the State Plan for Independent Living (SPIL) for people with disabilities; supporting local services and advocating for independent living services provided through state and federal programming; gathering and disseminating information; conducting training; and pursuing a public policy agenda that results in positive systemic change for people with disabilities.

The council is made up of no fewer than 51% of individuals with disabilities, who do not work for a state agency or a CIL, from across the state. The SILC was created in response to the federal Rehabilitation Act Amendments of 1992 to carry out the powers and duties set forth in 29 U.S.C. 796(d) and 34 CFR 364.21. SILC became an autonomous governmental entity in 2004 and is committed to additional duties under Section 56-1204, Idaho Code. These additional duties include: assess the need for services for Idahoans with disabilities and advocate with decision makers; supervise staff necessary to carry out the council's functions; ensure open meeting laws are followed; prepare reports; and promulgate rules as may be necessary, in compliance with Chapter 52, Title 67, Idaho Code.

State Independent Living Council

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	4.00	223,700	697,800	4.00	223,700	697,800
FY 2020 Base	4.00	223,700	697,800	4.00	223,700	697,800
Benefit Costs	0.00	400	1,500	0.00	(900)	(1,600)
Inflationary Adjustments	0.00	500	700	0.00	500	700
Statewide Cost Allocation	0.00	0	300	0.00	0	300
Change in Employee Compensation	0.00	1,000	3,900	0.00	3,000	10,200
FY 2020 Program Maintenance	4.00	225,600	704,200	4.00	226,300	707,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	400
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	1,800
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	1,400	2,600
FY 2020 Total	4.00	225,600	704,200	4.00	227,700	712,200
Change from Original Appropriation	0.00	1,900	6,400	0.00	4,000	14,400
% Change from Original Appropriation		0.8%	0.9%		1.8%	2.1%

State Independent Living Council

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	4.00	223,700	356,400	117,700	697,800
FY 2020 Base					
Agency Request	4.00	223,700	356,400	117,700	697,800
Governor's Recommendation	4.00	223,700	356,400	117,700	697,800

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	400	1,100	0	1,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(900)	(700)	0	(1,600)
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Inflationary Adjustments

The agency requests \$500 in ongoing operating expenditures from the General Fund and \$200 from dedicated funds for a total of \$700 for a 3% lease contract inflation for office space. The agency currently pays \$24,500 per year for rent, and this rate will increase \$700 in FY 2019, for a total of \$25,200.

Agency Request	0.00	500	200	0	700
Governor's Recommendation	0.00	500	200	0	700

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$200, and State Controller fees will increase by \$100, for a net increase of \$300.

Agency Request	0.00	0	300	0	300
Governor's Recommendation	0.00	0	300	0	300

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	1,000	2,400	500	3,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	3,000	7,200	0	10,200
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FY 2020 Program Maintenance

Agency Request	4.00	225,600	360,400	118,200	704,200
Governor's Recommendation	4.00	226,300	363,400	117,700	707,400

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	400	0	400
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GOV TECH 2. Mobile Device Security

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding to provide security of state information that is used on mobile technology.

Governor's Recommendation	0.00	0	1,800	0	1,800
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State Independent Living Council

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>1,400</i>	<i>1,200</i>	<i>0</i>	<i>2,600</i>
FY 2020 Total					
Agency Request	4.00	225,600	360,400	118,200	704,200
<i>Governor's Recommendation</i>	<i>4.00</i>	<i>227,700</i>	<i>366,800</i>	<i>117,700</i>	<i>712,200</i>
Agency Request					
Change from Original App	0.00	1,900	4,000	500	6,400
% Change from Original App	0.0%	0.8%	1.1%	0.4%	0.9%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>4,000</i>	<i>10,400</i>	<i>0</i>	<i>14,400</i>
<i>% Change from Original App</i>	<i>0.0%</i>	<i>1.8%</i>	<i>2.9%</i>	<i>0.0%</i>	<i>2.1%</i>

Idaho Legislative Budget Book

Law and Justice

2019 Legislative Session

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Idaho Legislative Budget Book

Department of Correction

2019 Legislative Session

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Department of Correction

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Management Services	16,690,300	16,551,100	22,945,600	24,059,100	23,842,800
State Prisons	119,841,300	116,868,100	120,650,200	129,300,200	124,851,100
County & Out-of-State Placement	12,487,700	13,229,100	24,828,500	32,183,500	26,571,200
Alternative Placement	9,794,500	9,604,700	9,986,500	10,197,000	10,197,000
Community Corrections	33,986,900	33,356,100	34,133,700	40,662,200	36,675,600
Community-Based Substance Abuse	9,717,000	9,584,700	9,906,400	9,928,900	7,456,300
Medical Services	47,533,800	46,808,600	49,816,900	54,862,700	48,970,100
Pardons & Parole	3,319,500	3,130,700	3,388,100	3,534,600	3,477,600
Total:	253,371,000	249,133,100	275,655,900	304,728,200	282,041,700
BY FUND CATEGORY					
General	226,356,300	225,021,200	240,738,600	277,421,600	249,472,100
Dedicated	25,697,000	23,218,700	33,269,800	25,729,000	30,985,800
Federal	1,317,700	893,200	1,647,500	1,577,600	1,583,800
Total:	253,371,000	249,133,100	275,655,900	304,728,200	282,041,700
Percent Change:		(1.7%)	10.6%	10.5%	2.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	136,561,200	132,007,900	137,721,500	147,943,700	143,649,300
Operating Expenditures	103,820,200	103,177,300	127,532,100	143,815,700	128,845,700
Capital Outlay	4,807,600	5,757,600	2,037,900	4,604,400	3,665,500
Trustee/Benefit	6,322,800	8,190,300	8,364,400	8,364,400	5,881,200
Lump Sum	1,859,200	0	0	0	0
Total:	253,371,000	249,133,100	275,655,900	304,728,200	282,041,700
Full-Time Positions (FTP)	2,024.85	2,024.85	2,039.85	2,097.85	2,058.85

Department Description

The department performs the functions of the constitutionally created Board of Correction and the statutorily created Commission of Pardons and Parole. The Governor appoints the three-member Board of Correction, which in turn appoints the director of the Department of Correction. The director oversees the department's nine state prisons, the Correctional Alternative Placement Program, four community work centers, and seven district probation and parole offices. The Department of Correction manages more than 23,000 offenders in the state of Idaho.

The Governor appoints the seven members of the Commission of Pardons and Parole, who are subject to Senate confirmation. The executive director of the commission is also appointed by the Governor and is responsible for the day-to-day operations of the commission.

Department of Correction

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	2,039.85	240,738,600	275,655,900	2,039.85	240,738,600	275,655,900
Supplementals						
County & Out-of-State Placement						
1. Population-Driven Costs	0.00	0	0	0.00	1,742,700	1,742,700
Correctional Alternative Placement						
1. Population-Driven Costs	0.00	0	0	0.00	0	0
Medical Services						
1. Population-Driven Costs	0.00	762,700	762,700	0.00	51,300	51,300
2. SICI North Dorm Conversion	0.00	629,900	629,900	0.00	524,800	524,800
FY 2019 Total Appropriation	2,039.85	242,131,200	277,048,500	2,039.85	243,057,400	277,974,700
Removal of Onetime Expenditures	0.00	(1,143,400)	(11,077,000)	0.00	(1,143,400)	(11,077,000)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	2,039.85	240,987,800	265,971,500	2,039.85	241,914,000	266,897,700
Benefit Costs	0.00	268,400	297,100	0.00	(1,004,800)	(1,113,200)
Inflationary Adjustments	0.00	226,700	226,700	0.00	226,700	226,700
Replacement Items	0.00	2,937,000	4,010,200	0.00	2,030,300	3,069,800
Statewide Cost Allocation	0.00	831,300	871,400	0.00	831,300	871,400
Change in Employee Compensation	0.00	1,022,300	1,137,900	0.00	3,058,700	3,404,100
FY 2020 Program Maintenance	2,039.85	246,273,500	272,514,800	2,039.85	247,056,200	273,356,500
Line Items						
Management Services						
1. OMS Replacement Phase 2	0.00	6,376,000	6,376,000	0.00	0	6,376,000
8. Base Software Licensing	0.00	575,300	575,300	0.00	575,300	575,300
11. Cybersecurity Upgrades	0.00	606,800	606,800	0.00	321,400	461,800
12. Data Center Maintenance	0.00	195,600	195,600	0.00	0	0
State Prisons						
2. CO Entry-Level Pay	0.00	4,341,700	4,535,400	0.00	2,171,200	2,268,300
7. Rec Area at IMSI	4.00	299,000	299,000	0.00	0	0
10. Wastewater Lagoon Repairs	0.00	1,904,800	1,904,800	0.00	0	0
13. Inmate Pay	0.00	0	216,900	0.00	0	216,900
14. Discretionary Funds	0.00	0	281,400	0.00	0	281,400
County & Out-of-State Placement						
15. Population-Driven Costs	0.00	7,355,000	7,355,000	0.00	0	0
Correctional Alternative Placement						
15. Population-Driven Costs	0.00	210,600	210,600	0.00	210,600	210,600
Community Corrections						
2. CO Entry-Level Pay Phase 1 of 2	0.00	136,100	171,400	0.00	68,100	85,800
3. Probation and Parole Officers	34.00	3,207,300	3,207,300	17.00	1,615,900	1,615,900
4. Presentence Investigators	4.00	280,600	280,600	2.00	140,900	140,900
5. Senior PPO Pay Phase 1 of 2	0.00	462,100	613,600	0.00	0	0
6. Electronic Monitoring	0.00	300,000	300,000	0.00	150,000	150,000
16. Twin Falls CRC	15.00	1,138,700	1,325,200	0.00	0	0
Community-Based Substance Abuse Treatm						
17. Medicaid Expansion/ SUDS Reduction	0.00	0	0	0.00	(1,444,100)	(2,483,200)
Medical Services						
9. PREA Screenings	0.00	1,030,200	1,030,200	0.00	0	0
15. Population-Driven Costs	0.00	2,623,000	2,623,000	0.00	0	0
17. Medicaid Expansion/ Per Diem Reduction	0.00	0	0	0.00	(1,422,900)	(1,422,900)
Commission of Pardons & Parole						
1. Parole Instrument Validation	0.00	20,000	20,000	0.00	20,000	20,000
2. IT Consulting	0.00	9,500	9,500	0.00	9,500	9,500
3. Parole Investigator Supervisor	1.00	75,800	75,800	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	178,900

Department of Correction

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2020 Total	2,097.85	277,421,600	304,728,200	2,058.85	249,472,100	282,041,700
Chg from FY 2019 Orig Approp.	58.00	36,683,000	29,072,300	19.00	8,733,500	6,385,800
% Chg from FY 2019 Orig Approp.	2.8%	15.2%	10.5%	0.9%	3.6%	2.3%

Management Services

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	15,172,600	15,141,400	14,239,100	22,710,300	15,794,600
Dedicated	1,517,700	1,409,700	8,706,500	1,348,800	8,048,200
Total:	16,690,300	16,551,100	22,945,600	24,059,100	23,842,800
Percent Change:		(0.8%)	38.6%	4.9%	3.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	10,980,900	10,437,300	11,064,600	11,184,400	11,274,300
Operating Expenditures	5,579,600	5,729,300	11,651,000	12,651,100	12,384,900
Capital Outlay	129,800	384,500	230,000	223,600	183,600
Total:	16,690,300	16,551,100	22,945,600	24,059,100	23,842,800
Full-Time Positions (FTP)	142.00	142.00	142.00	142.00	142.00

Division Description

Management Services has department-wide oversight of information services, construction, financial services, inmate placement, central records, research and quality assurance, human resources, and the director's office.

Management Services

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	142.00	14,239,100	22,945,600	142.00	14,239,100	22,945,600
Removal of Onetime Expenditures	0.00	(113,100)	(7,482,800)	0.00	(113,100)	(7,482,800)
FY 2020 Base	142.00	14,126,000	15,462,800	142.00	14,126,000	15,462,800
Benefit Costs	0.00	22,700	25,100	0.00	(64,000)	(73,200)
Inflationary Adjustments	0.00	55,300	55,300	0.00	55,300	55,300
Replacement Items	0.00	590,900	590,900	0.00	449,900	449,900
Statewide Cost Allocation	0.00	76,600	76,600	0.00	76,600	76,600
Change in Employee Compensation	0.00	85,100	94,700	0.00	254,100	282,900
FY 2020 Program Maintenance	142.00	14,956,600	16,305,400	142.00	14,897,900	16,254,300
1. OMS Replacement Phase 2	0.00	6,376,000	6,376,000	0.00	0	6,376,000
8. Base Software Licensing	0.00	575,300	575,300	0.00	575,300	575,300
11. Cybersecurity Upgrades	0.00	606,800	606,800	0.00	321,400	461,800
12. Data Center Maintenance	0.00	195,600	195,600	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	175,400
FY 2020 Total	142.00	22,710,300	24,059,100	142.00	15,794,600	23,842,800
Change from Original Appropriation	0.00	8,471,200	1,113,500	0.00	1,555,500	897,200
% Change from Original Appropriation		59.5%	4.9%		10.9%	3.9%

Management Services

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	142.00	14,239,100	8,706,500	0	22,945,600

Removal of Onetime Expenditures

This decision unit removes amounts appropriated in FY 2019 for replacement items and onetime portions of line items.

Agency Request	0.00	(113,100)	(7,369,700)	0	(7,482,800)
Governor's Recommendation	0.00	(113,100)	(7,369,700)	0	(7,482,800)

FY 2020 Base					
Agency Request	142.00	14,126,000	1,336,800	0	15,462,800
Governor's Recommendation	142.00	14,126,000	1,336,800	0	15,462,800

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	22,700	2,400	0	25,100
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(64,000)	(9,200)	0	(73,200)
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Inflationary Adjustments

The agency is requesting \$2,600 in ongoing operating expenditures from the General Fund for general inflation related to the department's ongoing maintenance agreements for server and storage hardware. Also included for contract inflation is \$52,700 in ongoing operating expenditures from the General Fund for the department's central office lease (\$48,000) and its online employee education system (\$4,700).

Agency Request	0.00	55,300	0	0	55,300
Governor's Recommendation	0.00	55,300	0	0	55,300

Replacement Items

Requested replacement items from the General Fund include \$3,000 for ballistic equipment; \$329,200 for computer equipment; \$60,300 for computer installation; \$6,300 for furniture; \$8,500 for office equipment; \$80,000 for servers, switches, firewalls, etc.; and \$103,600 for four SUVs.

Agency Request	0.00	590,900	0	0	590,900
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For replacement items, the Governor recommends \$449,900 from the General Fund.

Governor's Recommendation	0.00	449,900	0	0	449,900
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$16,500, risk management costs will increase by \$56,900, State Controller fees will increase by \$34,800, and State Treasurer fees will increase by \$1,400, for a net increase of \$76,600.

Agency Request	0.00	76,600	0	0	76,600
Governor's Recommendation	0.00	76,600	0	0	76,600

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	85,100	9,600	0	94,700
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	254,100	28,800	0	282,900
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Management Services

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	142.00	14,956,600	1,348,800	0	16,305,400
<i>Governor's Recommendation</i>	<i>142.00</i>	<i>14,897,900</i>	<i>1,356,400</i>	<i>0</i>	<i>16,254,300</i>

1. OMS Replacement Phase 2

Management Services

The department requests \$6,376,000 in onetime operating expenditures from the General Fund to begin the second phase of replacing its Offender Management System (OMS): an application and development project. The department's current OMS consists of two legacy systems, Reflections and Corrections Integrated Systems (CIS), which are responsible for tracking and recording offender data regarding all aspects of incarceration and community supervision from admission to release. For example, the systems are responsible for business intelligence reporting; case management; risk classification; commissary; caseload assignment, referrals, compliance monitoring, and violation tracking for community offenders; sentence tracking; grievance tracking; incident reporting; inmate transport; interstate compact management; reception and release; and victim notification. According to the department, these systems are antiquated and are limited in their functionality, posing myriad problems for staff and stakeholders.

Prior to receiving funding for the first phase in FY 2019, the department received a supplemental appropriation in the amount of \$370,000 for FY 2017 to contract with a certified project manager to understand the current capabilities and needs of the OMS, develop requirements, and assist in determining the best option for its replacement. Following that evaluation, the department requested and received \$7,016,000 for the first phase of the replacement process. As of September 1, 2018, a request for proposal (RFP) has been developed and the department expects a contract to be awarded in November of 2018. During the remainder of FY 2019, the department expects to purchase enterprise software licenses, engage the vendor in a gap analysis, conduct implementation planning, and retain additional contract project staff. The second phase, according to the department, will largely involve a continuation of phase one activities. More specifically, the \$6,376,000 requested here consists of \$101,000 for maintenance; \$5,025,000 for development and implementation; \$460,000 for project management; \$480,000 for database configuration and migration; and \$310,000 for quality assurance. Management of the project will be under the direction of the department's IT staff with the assistance of the contracted project manager. While the department initially represented that the OMS replacement project would be a three-year, \$15,552,000 project, it now believes it could take up to five years although it does not currently have an estimate of such costs. The department states that the only out-year costs will include licensing and maintenance in the estimated annual amount of \$260,000.

Agency Request	0.00	6,376,000	0	0	6,376,000
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The Governor recommends funding from the Technology Infrastructure Stabilization Fund.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>6,376,000</i>	<i>0</i>	<i>6,376,000</i>
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8. Base Software Licensing

Management Services

This request is for \$575,300 in operating expenditures from the General Fund to purchase licensing subscriptions for the department's base computing software, including MS Windows Operating System for desktop/laptop computers, MS SQL for the database servers, MS Windows Operating System for the server computers, MS Premier Support, Adobe Acrobat document software, and Laserfiche forms and workflow software. Of the total amount requested, \$321,800 is onetime for the initial purchase of the subscriptions, and \$253,500 is ongoing for annual software subscription maintenance costs. According to the agency, subscription-based software will result in the best pricing from the manufacturer and will provide the latest features, upgrades, and ongoing technical support and security patching, which will allow it to have a predictable and stable base-level software cost model. Currently, the department utilizes subscriptions for three of its 14 other software packages and onetime licenses for 11. The department expects to eventually utilize subscriptions for two additional software packages.

Agency Request	0.00	575,300	0	0	575,300
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<i>Governor's Recommendation</i>	<i>0.00</i>	<i>575,300</i>	<i>0</i>	<i>0</i>	<i>575,300</i>
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Management Services

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
11. Cybersecurity Upgrades					
Management Services					
The department requests \$606,800 from the General Fund to make cybersecurity upgrades that address gaps in the agency's critical security controls. Of the total amount requested, \$426,400 is in ongoing operating expenditures for annual maintenance, hosting agreements, and software updates; \$140,400 is in onetime operating expenditures for training, implementation services, and software; and \$40,000 is in onetime capital outlay for firewall hardware. According to the agency, it conducted a cybersecurity review in response to Executive Order No. 2017-02 that identified a need for more security controls and an alignment with those of other state agencies. In addition, the review identified the need for the replacement of legacy firewall hardware, for which updates are no longer available. The agency asserts that the upgrades will mitigate the risk of cybersecurity attacks and the loss of critical data.					
Agency Request	0.00	606,800	0	0	606,800
<i>The Governor does not recommend \$40,000 in capital outlay or \$105,000 in ongoing operating expenditures. The Governor further recommends that \$140,000 be funded through the Technology Infrastructure Stabilization Fund.</i>					
Governor's Recommendation	0.00	321,400	140,400	0	461,800
12. Data Center Maintenance					
Management Services					
This request is for \$195,600 in ongoing operating expenditures from the General Fund for annual maintenance costs associated with the department's data center hardware and software. The department purchased hardware and software licenses for the data center that require annual maintenance agreements for technical support and security patching. The department used onetime funding to prepay for support that expires at the end of FY 2019. According to the agency, it could experience extended information service outages that result in increased risk to public safety if this request is not funded.					
Agency Request	0.00	195,600	0	0	195,600
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	175,400	0	175,400
FY 2020 Total					
Agency Request	142.00	22,710,300	1,348,800	0	24,059,100
Governor's Recommendation	142.00	15,794,600	8,048,200	0	23,842,800
Agency Request					
Change from Original App	0.00	8,471,200	(7,357,700)	0	1,113,500
% Change from Original App	0.0%	59.5%	(84.5%)		4.9%
Governor's Recommendation					
Change from Original App	0.00	1,555,500	(658,300)	0	897,200
% Change from Original App	0.0%	10.9%	(7.6%)		3.9%

State Prisons

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Prisons Administration	4,037,100	3,560,200	3,871,400	4,297,600	4,320,700
ISCI - Boise	28,787,600	28,387,500	28,262,200	30,149,200	29,670,200
ISCC - Boise	28,568,500	28,411,200	28,422,900	31,858,900	29,391,000
ICI - Orofino	11,703,500	10,639,100	12,018,000	12,161,000	11,990,500
IMSI - Boise	12,872,900	12,907,100	12,860,100	14,052,500	13,463,800
NICI - Cottonwood	6,326,500	6,283,500	6,807,600	7,003,300	6,837,400
SICI - Boise	11,120,600	10,985,200	11,551,600	11,952,300	11,735,700
SAWC	4,463,200	4,156,800	4,652,400	4,932,000	4,840,200
PWCC	7,647,500	7,237,000	7,664,400	8,092,000	7,891,400
SBWCC	4,313,900	4,300,500	4,539,600	4,801,400	4,710,200
Total:	119,841,300	116,868,100	120,650,200	129,300,200	124,851,100
BY FUND CATEGORY					
General	107,179,500	106,083,400	107,662,200	117,051,700	112,657,800
Dedicated	11,410,800	9,891,500	11,903,000	11,157,400	11,098,300
Federal	1,251,000	893,200	1,085,000	1,091,100	1,095,000
Total:	119,841,300	116,868,100	120,650,200	129,300,200	124,851,100
Percent Change:		(2.5%)	3.2%	7.2%	3.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	94,023,600	90,674,500	94,411,300	100,154,100	98,204,500
Operating Expenditures	23,097,300	22,889,400	25,737,400	27,260,300	24,941,200
Capital Outlay	2,720,400	3,304,200	501,500	1,885,800	1,705,400
Total:	119,841,300	116,868,100	120,650,200	129,300,200	124,851,100
Full-Time Positions (FTP)	1,420.50	1,420.50	1,425.50	1,429.50	1,425.50

Division Description

State Prisons includes Prisons Administration and the nine adult correctional institutions in Idaho. The Idaho State Correctional Institution, South Idaho Correctional Institution, Idaho Maximum Security Institution, and the South Boise Women's Correctional Center are located south of Boise and comprise the single largest complex of institutions.

PRISONS ADMINISTRATION: This program ensures compliance with all policies and procedures, and state and federal guidelines.

IDAHO STATE CORRECTIONAL INSTITUTION (ISCI): This is the department's oldest and largest facility. It is the primary facility for long-term male, medium-custody offenders. It also has special-use beds for infirmary, outpatient mental health, and geriatric offenders.

SOUTH IDAHO CORRECTIONAL INSTITUTION (SICI): This is a working facility, which houses male, minimum-custody offenders in a dormitory setting. Every offender is assigned a job and is expected to work, whether inside or outside the facility compound. Road crews for the Idaho Transportation Department and fire fighting crews for the U.S. Forest Service are located here. SICI also operates the final pre-release program for female offenders paroling from the system.

IDAHO MAXIMUM SECURITY INSTITUTION (IMSI): This facility opened in 1989 to confine Idaho's most violent offenders. The compound is located within a double perimeter fence reinforced with razor wire and an electronic detection system. IMSI has restrictive housing beds dedicated to administrative segregation, disciplinary detention, and death row. The remaining beds are allocated for close-custody, general population offenders. The facility also houses offenders with acute mental health issues and civil commitments.

State Prisons

Analyst: Hoskins

Historical Summary

SOUTH BOISE WOMEN'S CORRECTIONAL CENTER (SBWCC): This facility opened in 2002 at the site of a former community work center. It is a program-specific, minimum-custody facility designed for female offenders sentenced to a retained jurisdiction commitment by the court. It provides a sentencing alternative for the courts to target those offenders who might, after a period of programming and evaluation, be viable candidates for probation rather than incarceration.

IDAHO CORRECTIONAL INSTITUTION - OROFINO (ICIO): This facility is located on the grounds of State Hospital North. It is a standard prison designed for male offenders of all custody levels. This facility also houses protective custody offenders. Offender work programs, including correctional industries, are coordinated with schooling, counseling, and recreational opportunities.

NORTH IDAHO CORRECTIONAL INSTITUTION (NICI): This facility is a former military radar station north of Cottonwood. This is a program-specific prison designed for male offenders sentenced to a retained jurisdiction commitment by the court. It provides a sentencing alternative for the courts to target those offenders who might, after a period of programming and evaluation, be viable candidates for probation rather than incarceration.

ST. ANTHONY WORK CAMP (SAWC): This work camp, located in St. Anthony, is designed for low-risk, minimum- and community-custody male offenders. The program focus is to provide a work therapy program offering full-time, constructive, paid employment to offenders through contracted work and public service projects with government agencies, non-profit organizations, and private employers. The program helps offenders develop good work habits, a positive work ethic, and marketable work skills while providing a financial resource to meet immediate and future needs.

POCATELLO WOMEN'S CORRECTIONAL CENTER (PWCC): This is the department's first facility designed specifically to meet the unique program needs of female offenders. It opened in 1994 and houses all custody levels. The institution has its own reception and diagnostic center, pre-release program, and work center release.

IDAHO STATE CORRECTIONAL CENTER (ISCC): This facility opened in 2000 as the first state-owned, privately operated prison. It was built on state property by the Corrections Corp. of America (CCA) and run by CCA until July 1, 2014, at which time the Department of Correction assumed full management and operation. It houses close-custody, medium- and minimum-custody male offenders.

State Prisons

Comparative Summary

Analyst: Hoskins

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	1,425.50	107,662,200	120,650,200	1,425.50	107,662,200	120,650,200
Removal of Onetime Expenditures	0.00	(550,300)	(2,626,200)	0.00	(550,300)	(2,626,200)
Base Adjustments	0.00	(13,700)	(283,000)	0.00	(13,700)	(283,000)
FY 2020 Base	1,425.50	107,098,200	117,741,000	1,425.50	107,098,200	117,741,000
Benefit Costs	0.00	190,300	201,400	0.00	(743,800)	(785,200)
Inflationary Adjustments	0.00	137,400	137,400	0.00	137,400	137,400
Replacement Items	0.00	1,764,200	2,601,600	0.00	1,223,800	2,061,200
Statewide Cost Allocation	0.00	588,600	606,300	0.00	588,600	606,300
Change in Employee Compensation	0.00	727,500	775,000	0.00	2,182,400	2,323,800
FY 2020 Program Maintenance	1,425.50	110,506,200	122,062,700	1,425.50	110,486,600	122,084,500
2. CO Entry-Level Pay Phase 1 of 2	0.00	4,341,700	4,535,400	0.00	2,171,200	2,268,300
7. Rec Area at IMSI	4.00	299,000	299,000	0.00	0	0
10. Wastewater Lagoon Repairs	0.00	1,904,800	1,904,800	0.00	0	0
13. Inmate Pay	0.00	0	216,900	0.00	0	216,900
14. Discretionary Funds	0.00	0	281,400	0.00	0	281,400
FY 2020 Total	1,429.50	117,051,700	129,300,200	1,425.50	112,657,800	124,851,100
Change from Original Appropriation	4.00	9,389,500	8,650,000	0.00	4,995,600	4,200,900
% Change from Original Appropriation		8.7%	7.2%		4.6%	3.5%

State Prisons

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	1,425.50	107,662,200	11,903,000	1,085,000	120,650,200

Removal of Onetime Expenditures

This decision unit removes amounts appropriated in FY 2019 for replacement items and onetime portions of line items.

Agency Request	0.00	(550,300)	(2,075,900)	0	(2,626,200)
Governor's Recommendation	0.00	(550,300)	(2,075,900)	0	(2,626,200)

Base Adjustments

Ongoing base adjustments include the net-zero reallocation of 16.50 FTP and associated personnel costs among programs in order to align the appropriation with agency needs. Of the FTP to be transferred, two correctional case managers (CCMs) would be transferred from ISCI to SICI; a CCM from ISCI to NICI; a clinician from ICIO to PWCC; a CCM from SICI to ISCI; two CCMs from SICI to CRCs; a food service officer from IMSI to ISCC; a clinician from PWCC to ICIO; two CCMs from CRCs to ISCI; 0.50 of a food service position from SBWCC to ISCC; a clinical supervisor from ISCC to ISCI; a food service officer from ISCC to IMSI; a food service officer from ISCC to SBWCC; and two CCMs from ISCC to ISCI.

Also included is a net-zero reallocation of \$80,000 in ongoing General Fund operating expenditures between programs to centralize firearms training under the Prisons Administration Program. Of the total amount to be transferred, \$27,400 is from ISCI, \$26,200 is from ISCC, \$12,800 is from IMSI, \$9,400 is from SICI, and \$4,200 is from SBWCC.

In addition, a net-zero reallocation of \$300,000 in ongoing operating expenditures from the Inmate Labor Fund is included for maintenance and repairs at the community reentry centers (CRCs). Of the total amount to be transferred, \$225,000 is from ICIO, \$50,000 is from SICI, and \$25,000 is from SAWC.

Lastly, \$30,700 in ongoing operating expenditures from the Inmate Labor Fund is transferred from Community Reentry Centers to NICI for inmate pay.

Agency Request	0.00	(13,700)	(269,300)	0	(283,000)
Governor's Recommendation	0.00	(13,700)	(269,300)	0	(283,000)

FY 2020 Base					
Agency Request	1,425.50	107,098,200	9,557,800	1,085,000	117,741,000
Governor's Recommendation	1,425.50	107,098,200	9,557,800	1,085,000	117,741,000

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	190,300	10,000	1,100	201,400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(743,800)	(37,600)	(3,800)	(785,200)
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Inflationary Adjustments

The department's request for general inflation includes \$137,400 in ongoing operating expenditures from the General Fund for a 2.1% increase in food and dietary costs, as projected by the USDA.

Agency Request	0.00	137,400	0	0	137,400
Governor's Recommendation	0.00	137,400	0	0	137,400

State Prisons

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
Requested replacement items include \$41,400 for ballistic equipment; \$36,800 for a bulldozer; \$29,600 for cabinets; \$17,200 for cameras; \$3,600 for a compactor; \$600 for computer equipment; \$18,100 for door equipment; \$5,000 for firefighting equipment; \$44,000 for 68 firearms; \$195,800 for flooring; \$17,400 for furniture; \$228,300 for HVAC equipment; \$30,000 for an intercom system; \$37,400 for irrigation equipment; \$426,000 for kitchen equipment; \$10,700 for landscaping equipment; \$295,200 for laundry equipment; \$6,900 for lights; \$14,400 for lockers; \$75,600 for mattresses; \$1,000 for office equipment; \$68,400 for parking lot resurfacing and pavement; \$48,300 for plumbing equipment; \$3,000 for portable restrooms; \$17,300 for locker powder coating; \$21,800 for a proofer; \$209,000 for radios; \$55,500 for remodeling; \$95,000 for a road grader; \$21,000 for safety equipment; \$4,200 for a sanding bed; \$23,300 for a sedan; \$1,400 for servers and switches; \$6,000 for a shed; \$2,500 for a snow plow; \$4,200 for software; \$15,000 for stucco repair; \$6,500 for suicide prevention equipment; \$2,400 for sun screens; \$38,500 for three trailers; \$6,700 for transport carts; \$208,200 for six trucks; \$22,000 for a UTV; \$121,200 for four vans; and \$65,200 for wastewater equipment. Of the total amount requested, \$1,764,200 is from the General Fund, \$170,000 is from the Inmate Labor Fund; and \$667,400 is from the Penitentiary Endowment Income Fund.					
Agency Request	0.00	1,764,200	837,400	0	2,601,600
<i>For replacement items, the Governor recommends \$1,223,800 from the General Fund, \$170,000 from the Inmate Labor Fund, and \$667,400 from the Penitentiary Endowment Income Fund.</i>					
Governor's Recommendation	0.00	1,223,800	837,400	0	2,061,200
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$606,300.					
Agency Request	0.00	588,600	17,700	0	606,300
Governor's Recommendation	0.00	588,600	17,700	0	606,300
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	727,500	42,500	5,000	775,000
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%. The Governor also recommends the pay structure for state employees be moved by 2% and includes \$900 for that purpose.</i>					
Governor's Recommendation	0.00	2,182,400	127,600	13,800	2,323,800
FY 2020 Program Maintenance					
Agency Request	1,425.50	110,506,200	10,465,400	1,091,100	122,062,700
Governor's Recommendation	1,425.50	110,486,600	10,502,900	1,095,000	122,084,500

State Prisons

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. CO Entry-Level Pay Phase 1 of 2					All Prisons and CRCs
<p>The department requests \$4,535,400 in ongoing personnel costs to increase the entry-level pay for its correctional officers (COs) from \$15.00 per hour to \$18.00 per hour over the next two years. Also included is funding to address pay compression that would result from the entry-level increase. Of the total amount requested, \$4,341,700 (or 95.7%) is from the General Fund, \$174,300 is from the Inmate Labor Fund, and \$19,400 is from the Miscellaneous Revenue Fund. According to the department, it is facing significant challenges in recruiting and retaining correctional officers and security staff. The department asserts that today's job market provides many other opportunities for job seekers that do not require shift work, remaining on post at all times, mandatory overtime, or working with individuals who may be dangerous, disrespectful, or demanding. Since 2014, entry-level pay for COs has increased by 14.2% from \$13.14 per hour to \$15.00 per hour. During that same period, the turnover rate has increased slightly from 20.5% to 21%. Department-wide, this request amounts to a total of \$4,706,800 in ongoing personnel costs, with \$4,477,800 from the General Fund, \$209,600 from the Inmate Labor Fund, and \$19,400 from the Miscellaneous Revenue Fund. Of the department's total personnel cost appropriation, approximately 89.6% is from the General Fund. Of the department's total personnel cost appropriation for COs, approximately 95% is from the General Fund. Over the last three fiscal years, the Legislature has invested \$4,283,300 in ongoing targeted pay increases for COs, in addition to change in employee compensation (CEC) increases. The department expects to request approximately \$4,669,500 for the second phase in FY 2021.</p>					
Agency Request	0.00	4,341,700	193,700	0	4,535,400
<i>The Governor recommends approximately half of the requested funding for CO pay.</i>					
Governor's Recommendation	0.00	2,171,200	97,100	0	2,268,300
7. Rec Area at IMSI					IMSI
<p>The department requests 4.00 FTP and \$299,000 from the General Fund to construct and staff a recreation area at IMSI as part of the agency's restrictive housing reform efforts. Of the total amount requested, \$244,700 is in ongoing personnel costs for the salary and benefits of one correctional manager and three correctional officers; \$5,700 is in ongoing operating expenditures for training, supplies, recreation area maintenance and equipment, and insurance; \$11,600 is in onetime operating expenditures for radios, office furniture, computer equipment, and recreation equipment; and \$37,000 is in onetime capital outlay for construction of the recreation area. Construction costs will cover fencing, gates, top soil, irrigation, electrical, concrete, and sod. Restrictive housing reform efforts include increasing the amount of out-of-cell time for inmates, reducing the number of inmates in long-term administrative segregation (locked down 23 hours per day) to only those that pose a danger to other inmates or staff, and providing recreational/programming opportunities. According to the agency, these efforts will assist in complying with Department of Justice guidelines for managing restrictive housing.</p>					
Agency Request	4.00	299,000	0	0	299,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
10. Wastewater Lagoon Repairs					ISCC
<p>The department requests \$1,904,800 in onetime operating expenditures from the General Fund to make repairs to the earthen dam and to replace the pond liner of one of the lagoon cells of the wastewater system at the South Boise Correctional Complex. The wastewater system operates under a compliance agreement with the Department of Environmental Quality (DEQ) that, among other things, requires the storage lagoons to maintain a minimum of three feet of unused storage capacity (freeboard) at any given time. The system was constructed and licensed for an inmate population of 1,250 between ISCC and the Treasure Valley Reentry Center (TVRC). However, in the past ten years, the population at these two facilities has increased to 2,170, causing the lagoons to exceed the required three feet of freeboard. This has led to embankment failure and liner breaches in one of the cells. According to the department, the current compliance agreement with DEQ requires it to complete repairs in a timely manner to avoid enforcement action.</p>					
Agency Request	0.00	1,904,800	0	0	1,904,800
<i>The Governor recommends that this request be funded by the Permanent Building Fund.</i>					
Governor's Recommendation	0.00	0	0	0	0

State Prisons

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
13. Inmate Pay	ISCI, ISCC, ICIO, IMSI, SICI, SAWC, PWCC, SBWCC				

The department requests \$216,900 in ongoing operating expenditures from the Miscellaneous Revenue Fund to increase pay for inmates working in compound positions such as janitorial, food service, maintenance, laundry, etc. For at least the last ten years, inmate pay for these compound jobs has varied between \$0.10 per hour and \$0.30 per hour, depending on the skill-level required. The department proposes to increase this pay to between \$0.15 per hour and \$0.40 per hour, using an increase in revenue to the Miscellaneous Revenue Fund. Revenue to this fund increased from \$3,329,700 in FY 2017 to \$3,453,200 in FY 2018. The department expects this revenue to increase to \$3,479,400 in FY 2019 and to \$3,509,800 in FY 2020. The department currently spends approximately \$723,000 for inmate pay in compound jobs. According to the department, inmate pay needs to be adjusted to reflect inflationary price increases. The department further asserts that providing paid job opportunities for inmates has numerous benefits: offenders learn new job skills, meet obligations for child support and court-ordered restitution, save money for housing and living expenses upon release, and reinforce values such as work ethic and personal accountability.

Agency Request	0.00	0	216,900	0	216,900
Governor's Recommendation	0.00	0	216,900	0	216,900

14. Discretionary Funds Prisons Administration

The department requests \$281,400 in ongoing operating expenditures from the Penitentiary Endowment Income Fund to make discretionary, ad hoc repairs and upgrades to facility buildings, water systems, and sewage systems; perform preventative maintenance; and perform other unplanned emergency repairs. For FY 2019, the Board of Land Commissioners approved a 6.4% increase in total distributions to beneficiaries, which amounted to a \$228,000 increase (11.6%) for the Penitentiary Endowment Income Fund. For FY 2020, the Board of Land Commissioners approved a 3.5% increase in total distributions to beneficiaries, which amounted to a \$53,400 increase (2.4%) for the Penitentiary Endowment Income Fund. The agency currently has an ongoing appropriation of \$1,298,200 from this fund source. In FY 2018, the department spent \$1,972,300 from this fund source using funds appropriated on both a onetime and ongoing basis. This request would absorb the new ongoing endowment distributions from FY 2019 and FY 2020 into the department's ongoing appropriation. For FY 2019, the department requested to absorb the FY 2019 amount (\$228,000), but the Legislature chose to reserve the new cash for onetime needs instead.

Agency Request	0.00	0	281,400	0	281,400
Governor's Recommendation	0.00	0	281,400	0	281,400

FY 2020 Total					
Agency Request	1,429.50	117,051,700	11,157,400	1,091,100	129,300,200
Governor's Recommendation	1,425.50	112,657,800	11,098,300	1,095,000	124,851,100

Agency Request					
Change from Original App	4.00	9,389,500	(745,600)	6,100	8,650,000
% Change from Original App	0.3%	8.7%	(6.3%)	0.6%	7.2%
Governor's Recommendation					
Change from Original App	0.00	4,995,600	(804,700)	10,000	4,200,900
% Change from Original App	0.0%	4.6%	(6.8%)	0.9%	3.5%

County & Out-of-State Placement

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	12,487,700	13,229,100	24,828,500	32,183,500	26,571,200
Percent Change:		5.9%	87.7%	29.6%	7.0%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	12,487,700	13,229,100	24,828,500	32,183,500	26,571,200

Division Description

The County and Out-of-State Placement Program provides funding to house and provide medical care for offenders placed in county jails and in out-of-state prison facilities. In FY 2009, this program was moved from Prison Administration and established as a separate program.

County & Out-of-State Placement

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	24,828,500	24,828,500	0.00	24,828,500	24,828,500
1. Population-Driven Costs	0.00	0	0	0.00	1,742,700	1,742,700
FY 2019 Total Appropriation	0.00	24,828,500	24,828,500	0.00	26,571,200	26,571,200
FY 2020 Base	0.00	24,828,500	24,828,500	0.00	26,571,200	26,571,200
15. Population-Driven Costs	0.00	7,355,000	7,355,000	0.00	0	0
FY 2020 Total	0.00	32,183,500	32,183,500	0.00	26,571,200	26,571,200
Change from Original Appropriation	0.00	7,355,000	7,355,000	0.00	1,742,700	1,742,700
% Change from Original Appropriation		29.6%	29.6%		7.0%	7.0%

County & Out-of-State Placement

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	24,828,500	0	0	24,828,500

1. Population-Driven Costs

This adjustment would align the department's FY 2019 County and Out-of-State Placement budget with updated offender forecasts and bed utilization estimates. County and out-of-state beds are utilized to house offenders when the right bed is unavailable, or if state facilities are too full. At the time the budget was set for FY 2019, the department estimated an average daily count of 643 inmates in county jails, at the rate of \$47.50 per inmate per day, for 365 days in FY 2019. Since the passage of H697 of 2018, however, the department now has to pay two different per diem rates to counties, depending on how long the inmates are housed in county jails. The department now pays \$57.50 per day for the first seven days of housing, followed by \$77.50 per day thereafter. As of October 28, 2018, the department estimated an average daily count of 358 inmates in the former group and 294 in the latter. Also, the department expected to house an average of 595 inmates per day in out-of-state beds at the cost of \$72.45 per day. These initial estimates fluctuate on a month-to-month basis as bed counts are updated. Thus, by the time the budget is set for this division, the actual amount needed (or not needed) may differ from the amount listed here. Although the department did not include an adjustment in its FY 2020 budget request, updated offender forecasts and bed utilization estimates show that the department's FY 2019 General Fund appropriation should be reduced by \$931,300 in ongoing operating expenditures in order to align its County and Out-of-State Placement budget. The department was notified of this discrepancy but did not revise its request to reflect the downward adjustment.

Agency Request	0.00	0	0	0	0
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The Governor's recommendation reflects updated offender forecasts and bed-utilization estimates.

Governor's Recommendation	0.00	1,742,700	0	0	1,742,700
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FY 2019 Total Appropriation					
Agency Request	0.00	24,828,500	0	0	24,828,500
Governor's Recommendation	0.00	26,571,200	0	0	26,571,200

FY 2020 Base					
Agency Request	0.00	24,828,500	0	0	24,828,500
Governor's Recommendation	0.00	26,571,200	0	0	26,571,200

15. Population-Driven Costs

This decision unit would increase the department's General Fund appropriation in order to align its FY 2020 County and Out-of-State Placement budget with updated offender forecasts and bed utilization estimates. County and out-of-state beds are utilized to house offenders when the right bed is unavailable, or if state facilities are too full. As of October 28, 2018, the department estimated an average daily count of 602 inmates in category one (seven days or less in county jail) at the rate of \$57.50 per inmate per day, and an average daily count of 494 inmates in category two (more than seven days in county jail) at the rate of \$77.50 per inmate per day. Also, the department estimated an average daily count of 700 inmates in out-of-state beds, at the rate of \$72.45 per inmate per day. These initial estimates fluctuate on a month-to-month basis as bed counts are updated. Thus, by the time the budget is set for this division, the actual amount needed (or not needed) may differ from the amount listed here. While the department's request includes an increase of \$7,355,000, the actual amount needed is \$8,283,900. The department was notified of this discrepancy but did not revise its request to reflect the correct adjustment.

Agency Request	0.00	7,355,000	0	0	7,355,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Total					
Agency Request	0.00	32,183,500	0	0	32,183,500
Governor's Recommendation	0.00	26,571,200	0	0	26,571,200

County & Out-of-State Placement

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	0.00	7,355,000	0	0	7,355,000
% Change from Original App		29.6%			29.6%
Governor's Recommendation					
Change from Original App	0.00	1,742,700	0	0	1,742,700
% Change from Original App		7.0%			7.0%

Correctional Alternative Placement

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	9,594,500	9,585,800	9,786,500	9,997,000	9,997,000
Dedicated	200,000	18,900	200,000	200,000	200,000
Total:	9,794,500	9,604,700	9,986,500	10,197,000	10,197,000
Percent Change:		(1.9%)	4.0%	2.1%	2.1%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	8,800,600	8,610,900	8,937,900	9,090,700	9,090,700
Capital Outlay	993,900	993,800	1,048,600	1,106,300	1,106,300
Total:	9,794,500	9,604,700	9,986,500	10,197,000	10,197,000

Division Description

The 432-bed Correctional Alternative Placement Program (CAPP) is a privately built, owned, and operated treatment facility that provides intensive residential substance abuse and cognitive programming for parole violators, reentry offenders, and retained jurisdiction offenders. This program helps probation and parole officers more effectively manage their offenders and help improve the transition from prison to the community.

Funding for CAPP was approved in 2006, but the change in governors and subsequent changes in directors slowed progress on the request for proposal. The contractor proposed a capital lease that would allow the state to own the building at the end of the contract. According to the department, this lease-purchase saves the state money compared to a straight lease throughout the life of the contract. The main savings come from federal income tax avoidance in the financing, as these savings are being passed through to the state. It should also be noted that, had the state opted to build this facility through municipal bonding, the state's cost would have been even less.

The Legislature opted into the capital lease arrangement with the passage of SCR124 of 2008. This granted the Board of Correction and the Division of Public Works authority to enter into a lease-purchase agreement for the CAPP facility with Management and Training Corporation and MTC Corrections Holding, LLC, for a maximum cost of \$50,416,900 over the twenty-year period of the lease-purchase agreement. The groundbreaking ceremony was held Friday, July 18, 2008, on the sited property at Pleasant Valley and Kuna-Mora Road south of Boise. This facility was completed and operational in July of 2010.

The facility provides reentry and diversionary programming to help offenders with substance abuse or cognitive issues before being released in the community. This is an intensive programming facility that provides full-time program participation to the offenders housed there. Reentry offenders move to CAPP from other facilities to receive a 120-day, intensive reentry program that includes multiple cognitive and substance abuse programs. Parole violators receive a 90-day intensive cognitive and substance abuse program to divert them from returning to prison, with successful participants generally reinstated to parole. Retained jurisdiction offenders are those who are failing on probation and receive an intensive 90-day cognitive and substance abuse program. Those court retained jurisdiction offenders that successfully complete the CAPP program are generally placed on probation.

Correctional Alternative Placement

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	9,786,500	9,986,500	0.00	9,786,500	9,986,500
1. Population-Driven Costs	0.00	0	0	0.00	0	0
FY 2019 Total Appropriation	0.00	9,786,500	9,986,500	0.00	9,786,500	9,986,500
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	0.00	9,786,500	9,986,500	0.00	9,786,500	9,986,500
Statewide Cost Allocation	0.00	(100)	(100)	0.00	(100)	(100)
FY 2020 Program Maintenance	0.00	9,786,400	9,986,400	0.00	9,786,400	9,986,400
15. Population-Driven Costs	0.00	210,600	210,600	0.00	210,600	210,600
FY 2020 Total	0.00	9,997,000	10,197,000	0.00	9,997,000	10,197,000
Change from Original Appropriation	0.00	210,500	210,500	0.00	210,500	210,500
% Change from Original Appropriation		2.2%	2.1%		2.2%	2.1%

Correctional Alternative Placement

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	9,786,500	200,000	0	9,986,500

1. Population-Driven Costs

Although the department did not include an adjustment in its FY 2020 budget request, updated offender forecasts and bed utilization estimates show that the department's FY 2019 General Fund appropriation should be reduced by \$25,900 in ongoing operating expenditures in order to align its Correctional Alternative Placement Program (CAPP) budget. The department was notified of this discrepancy but did not revise its request to reflect the correct adjustment. At the time the budget was set for FY 2019, the department estimated the following costs: \$7,290,000 for per diem; \$2,496,500 for financing and service rent; and \$200,000 for maintenance reserve, for a total of \$9,986,500. As of October 28, 2018, however, the department estimated the following costs: \$7,264,100 for per diem; \$2,496,500 for financing and service rent; and \$200,000 for maintenance reserve, for a total of \$9,960,600. This division's FY 2019 appropriation is \$9,986,500, leaving a surplus of \$25,900.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Total Appropriation					
Agency Request	0.00	9,786,500	200,000	0	9,986,500
Governor's Recommendation	0.00	9,786,500	200,000	0	9,986,500

Base Adjustments

This decision unit transfers \$57,700 in General Fund operating expenditures to capital outlay to align the appropriation with the actual use and expenditure of the funds.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Base					
Agency Request	0.00	9,786,500	200,000	0	9,986,500
Governor's Recommendation	0.00	9,786,500	200,000	0	9,986,500

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will decrease by \$100.

Agency Request	0.00	(100)	0	0	(100)
Governor's Recommendation	0.00	(100)	0	0	(100)

FY 2020 Program Maintenance					
Agency Request	0.00	9,786,400	200,000	0	9,986,400
Governor's Recommendation	0.00	9,786,400	200,000	0	9,986,400

15. Population-Driven Costs

The department requests an ongoing increase in operating expenditures from the General Fund to pay for anticipated increases in per diem rates, maintenance, and property taxes in the Correctional Alternative Placement Program (CAPP). While the department's request shows an increase of \$210,600, the actual amount needed is \$236,500. The department was notified of this discrepancy but did not revise its request to reflect the correct adjustment. Of the total amount requested, \$189,400 is for the 3% increase in the annual per diem rate, and \$21,200 is for increased building maintenance and property taxes. Per diem is expected to increase from \$49.06 per inmate per day to \$50.53 for the first 388 inmates; and from \$28.37 per inmate per day to \$29.22 for inmates in excess of 388. Total capacity at the facility is 432 beds, though the department only utilizes 420 (97%).

Agency Request	0.00	210,600	0	0	210,600
Governor's Recommendation	0.00	210,600	0	0	210,600

Correctional Alternative Placement

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	0.00	9,997,000	200,000	0	10,197,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>9,997,000</i>	<i>200,000</i>	<i>0</i>	<i>10,197,000</i>
Agency Request					
Change from Original App	0.00	210,500	0	0	210,500
% Change from Original App		2.2%	0.0%		2.1%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>210,500</i>	<i>0</i>	<i>0</i>	<i>210,500</i>
<i>% Change from Original App</i>		<i>2.2%</i>	<i>0.0%</i>		<i>2.1%</i>

Community Corrections

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Community Supervision	27,824,700	27,027,900	28,101,300	32,944,100	30,508,300
Community Reentry Centers	6,162,200	6,328,200	6,032,400	7,718,100	6,167,300
Total:	33,986,900	33,356,100	34,133,700	40,662,200	36,675,600
BY FUND CATEGORY					
General	23,453,100	23,493,700	23,394,700	29,436,700	25,795,700
Dedicated	10,467,100	9,862,400	10,176,500	10,739,000	10,391,100
Federal	66,700	0	562,500	486,500	488,800
Total:	33,986,900	33,356,100	34,133,700	40,662,200	36,675,600
Percent Change:		(1.9%)	2.3%	19.1%	7.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	27,493,700	27,059,100	28,141,300	32,381,300	29,996,500
Operating Expenditures	5,532,500	5,239,000	5,734,600	6,892,200	6,008,900
Capital Outlay	960,700	1,058,000	257,800	1,388,700	670,200
Total:	33,986,900	33,356,100	34,133,700	40,662,200	36,675,600
Full-Time Positions (FTP)	407.35	407.35	417.35	470.35	436.35

Division Description

Community Corrections includes the supervision of probationers and parolees (Community Supervision Program) and the operation of community reentry centers throughout the state (Community Reentry Centers Program).

Parole and probation officers and presentence investigators work out of regional offices located in each of the seven judicial districts. Officers have the responsibility of supervising all probationers and parolees. Probationers are persons with a court sentence that does not involve confinement but does impose conditions. Parolees are offenders who have served a portion of their sentence in an institution and are selected for release by the Commission of Pardons and Parole while under the continued custody of the state.

Residents of the community reentry centers in Boise, Nampa, and Idaho Falls are required to maintain employment. The program provides community services, employment counseling, and individual and family counseling.

Community Corrections

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	417.35	23,394,700	34,133,700	417.35	23,394,700	34,133,700
Removal of Onetime Expenditures	0.00	(480,000)	(968,000)	0.00	(480,000)	(968,000)
Base Adjustments	0.00	13,700	283,000	0.00	13,700	283,000
FY 2020 Base	417.35	22,928,400	33,448,700	417.35	22,928,400	33,448,700
Benefit Costs	0.00	46,300	61,500	0.00	(167,700)	(225,500)
Inflationary Adjustments	0.00	27,000	27,000	0.00	27,000	27,000
Replacement Items	0.00	581,900	817,700	0.00	356,600	558,700
Statewide Cost Allocation	0.00	153,300	175,700	0.00	153,300	175,700
Change in Employee Compensation	0.00	175,000	233,500	0.00	523,200	698,400
FY 2020 Program Maintenance	417.35	23,911,900	34,764,100	417.35	23,820,800	34,683,000
2. CO Entry-Level Pay Phase 1 of 2	0.00	136,100	171,400	0.00	68,100	85,800
3. Probation and Parole Officers	34.00	3,207,300	3,207,300	17.00	1,615,900	1,615,900
4. Presentence Investigators	4.00	280,600	280,600	2.00	140,900	140,900
5. Senior PPO Pay Phase 1 of 2	0.00	462,100	613,600	0.00	0	0
6. Electronic Monitoring	0.00	300,000	300,000	0.00	150,000	150,000
16. Twin Falls CRC	15.00	1,138,700	1,325,200	0.00	0	0
FY 2020 Total	470.35	29,436,700	40,662,200	436.35	25,795,700	36,675,600
Change from Original Appropriation	53.00	6,042,000	6,528,500	19.00	2,401,000	2,541,900
% Change from Original Appropriation		25.8%	19.1%		10.3%	7.4%

Community Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	417.35	23,394,700	10,176,500	562,500	34,133,700

Removal of Onetime Expenditures

This decision unit removes amounts appropriated in FY 2019 for replacement items and onetime portions of line items.

Agency Request	0.00	(480,000)	(408,000)	(80,000)	(968,000)
Governor's Recommendation	0.00	(480,000)	(408,000)	(80,000)	(968,000)

Base Adjustments

Ongoing base adjustments include the net-zero reallocation of 4.00 FTP and associated personnel costs among programs in order to align the appropriation with agency needs. Of the FTP to be transferred, two correctional case managers (CCMs) would be transferred from Community Reentry Centers (CRCs) to ISCI; and two CCMs from SICI to CRCs. Also, \$30,700 in ongoing operating expenditures from the Miscellaneous Revenue Fund is transferred from CRCs to NICI for inmate pay. Lastly, \$300,000 in ongoing operating expenditures from the Inmate Labor Fund is transferred from ICIO (\$225,000), SICI (\$50,000), and SAWC (\$25,000) for maintenance and repairs at CRCs.

Agency Request	0.00	13,700	269,300	0	283,000
Governor's Recommendation	0.00	13,700	269,300	0	283,000

FY 2020 Base					
Agency Request	417.35	22,928,400	10,037,800	482,500	33,448,700
Governor's Recommendation	417.35	22,928,400	10,037,800	482,500	33,448,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	46,300	14,400	800	61,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(167,700)	(54,500)	(3,300)	(225,500)
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Inflationary Adjustments

The department's request for general inflation includes \$5,900 in ongoing operating expenditures from the General Fund for a 2.1% increase in food and dietary costs, as projected by the USDA. Contract inflation includes \$21,100 in ongoing operating expenditures from the General Fund for office rent increases at various district and satellite offices.

Agency Request	0.00	27,000	0	0	27,000
Governor's Recommendation	0.00	27,000	0	0	27,000

Replacement Items

Requested replacement items include \$38,000 for ballistic equipment; \$2,600 for computer equipment; \$22,000 for a fire alarm system; \$4,000 for flooring; \$3,400 for furniture; \$10,000 for HVAC equipment; \$1,800 for irrigation equipment; \$59,300 for kitchen equipment; \$2,000 for landscaping equipment; \$6,000 for laundry equipment; \$10,400 for office equipment; \$92,900 for painting; \$6,000 for pavement; \$182,200 for radios; \$12,400 for remodeling; \$66,000 for retaining walls; \$1,500 for rolling containers; \$179,500 for seven sedans; \$51,800 for two SUVs; \$35,600 for a truck; and \$30,300 for a van. Of the total amount requested, \$581,900 is from the General Fund and \$235,800 is from the Inmate Labor Fund.

Agency Request	0.00	581,900	235,800	0	817,700
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For replacement items, the Governor recommends \$356,600 from the General Fund and \$202,100 from the Inmate Labor Fund.

Governor's Recommendation	0.00	356,600	202,100	0	558,700
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Community Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$175,700.					
Agency Request	0.00	153,300	22,400	0	175,700
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>153,300</i>	<i>22,400</i>	<i>0</i>	<i>175,700</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	175,000	55,300	3,200	233,500
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>523,200</i>	<i>165,600</i>	<i>9,600</i>	<i>698,400</i>
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FY 2020 Program Maintenance

Agency Request	417.35	23,911,900	10,365,700	486,500	34,764,100
<i>Governor's Recommendation</i>	<i>417.35</i>	<i>23,820,800</i>	<i>10,373,400</i>	<i>488,800</i>	<i>34,683,000</i>

2. CO Entry-Level Pay Phase 1 of 2

Community Reentry Centers

The department requests \$171,400 in ongoing personnel costs to increase the entry-level pay for its correctional officers (COs) from \$15.00 per hour to \$18.00 per hour over the next two years. Also included is funding to address pay compression that would result from the entry-level increase. Of the total amount requested, \$136,100 (or 79.4%) is from the General Fund and \$35,300 is from the Inmate Labor Fund. According to the department, it is facing significant challenges in recruiting and retaining correctional officers and security staff. The department asserts that today's job market provides many other opportunities for job seekers that do not require shift work, remaining on post at all times, mandatory overtime, or working with individuals who may be dangerous, disrespectful, or demanding. Since 2014, entry-level pay for COs has increased by 14.2% from \$13.14 per hour to \$15.00 per hour. During that same period, the turnover rate has increased slightly from 20.5% to 21%. Department-wide, this request amounts to a total of \$4,706,800 in ongoing personnel costs, with \$4,477,800 from the General Fund, \$209,600 from the Inmate Labor Fund, and \$19,400 from the Miscellaneous Revenue Fund. Of the department's total personnel cost appropriation, approximately 89.6% is from the General Fund. Of the department's total personnel cost appropriation for COs, approximately 95% is from the General Fund. Over the last three fiscal years, the Legislature has invested \$4,283,300 in ongoing targeted pay increases for COs, in addition to change in employee compensation (CEC) increases. The department expects to request \$3,328,400 for the second phase in FY 2021.

Agency Request	0.00	136,100	35,300	0	171,400
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The Governor recommends approximately half of the requested funding for CO pay.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>68,100</i>	<i>17,700</i>	<i>0</i>	<i>85,800</i>
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Community Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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3. Probation and Parole Officers

Community Supervision

This line item request is for 34.00 FTP and \$3,207,300 from the General Fund to reduce the caseloads of probation and parole officers (PPOs). Of the total amount requested, \$2,300,500 is in ongoing personnel costs for the salary and benefits of 30.00 PPOs and 4.00 associated section supervisors; \$235,300 is in ongoing operating expenditures for cell phones, training, vehicle repair and maintenance services, travel, administrative supplies, fuel, uniforms, tactical gear, insurance, and office rent; \$171,600 is in onetime operating expenditures for office furniture, computer equipment, software, ballistic vests, meals, lodging, ammunition, physical training uniforms, a PPO academy, and graduation costs/awards; and \$499,900 is in onetime capital outlay for weapons, radio equipment, and 12 vehicles. Pursuant to Section 20-219(4), Idaho Code, "caseloads for supervising officers who are supervising offenders determined by the department of correction's validated risk assessment to be high or moderate risk of rearrest should not exceed an average of fifty (50) offenders per supervising officer." This code section is reflective of evidence that suggests that increasing supervision levels for higher risk offenders, and correspondingly reducing supervision for lower risk offenders, results in lower recidivism rates. Currently, however, PPOs have "mixed" caseloads, in which they may supervise offenders with risk levels of low, low-moderate, high-moderate, and high. The department's goal is to adopt a "focused supervision" model, in which PPOs have caseloads dedicated to one particular risk level or another. Under this model, the goal is to attain a ratio of offenders-to-PPOs as follows: dedicated high risk caseloads of 40:1; dedicated high-moderate caseloads of 50:1; dedicated low-moderate caseloads of 75:1; and dedicated low risk caseloads of 100:1. To this end, the department is requesting 34.00 PPOs in addition to its current 215.00, a 15.8% increase in the department's PPO workforce. For FY 2018, the department requested 24.00 PPOs for the same purpose (of which 12.00 were ultimately appropriated). However, at that time, the department's focused supervision model called for substantially higher caseloads (170:1 as opposed to 100:1) for low-risk offenders.

Agency Request	34.00	3,207,300	0	0	3,207,300
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The Governor recommends funding for 17.00 FTP for new PPOs, of which 2.00 are section supervisors.

Governor's Recommendation	17.00	1,615,900	0	0	1,615,900
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4. Presentence Investigators

Community Supervision

The department requests 4.00 FTP and \$280,600 from the General Fund to hire presentence investigators (PSIs) to address an increasing demand from district courts for presentence reports. Of the total amount requested, \$240,300 is in ongoing personnel costs for salary and benefits; \$27,700 is in ongoing operating expenditures for supplies, travel, training, communication, office rent, and utilities; and \$12,600 is in onetime operating expenditures for office furniture and computer equipment. Presentence investigation consists of an interview with the defendant regarding his or her criminal record as well as a review of the specific facts of the crime and the social history of the defendant. The presentence investigative report includes a victim impact statement and information gathered from collateral contacts. The presentence investigative report is a protected, confidential document available only to the judge, prosecuting attorney, defense counsel, and the defendant. According to the department, presentence reports ordered by the district courts are expected to increase by 26.8%, from 5,633 in FY 2018 to 7,145 in FY 2020. The department currently has an ongoing appropriation for 51 PSIs. The four additional PSIs requested here will, according to the department, help to decrease the number of continued sentencing hearings; improve the quality and timeliness of presentence reports; help to alleviate the increasing workload for existing staff; and reduce PSI turnover. In FY 2015, the department received 5.00 FTP and \$357,500 for new PSIs.

Agency Request	4.00	280,600	0	0	280,600
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The Governor recommends funding for 2.00 FTP for new PSIs.

Governor's Recommendation	2.00	140,900	0	0	140,900
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Community Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Senior PPO Pay Phase 1 of 2					
Community Supervision					
<p>The department requests \$613,600 in ongoing personnel costs to increase the starting pay for its senior probation and parole officers (PPOs) from \$19.00 per hour to \$21.00 per hour over the next two years. Also included is funding to address pay compression that would result from the increase in starting pay. Of the total amount requested, \$462,100 (or 75.3%) is from the General Fund, \$133,500 is from the Parolee Supervision Fund, and \$18,000 is from the Drug and Mental Health Court Supervision Fund. According to the agency, county POs and PPOs in nearby states earn higher wages than the department's PPOs and have been recruited away. Since 2014, entry-level pay for PPOs has increased by 14.5% from \$16.59 per hour to \$19.00 per hour. During that same timeframe, the turnover rate has increased from 4% to 16.7%. The department asserts that this request will help it hire and retain experienced officers, which will ultimately have a positive impact on successfully transitioning offenders back into the community, improve overall community safety, and lower incarceration costs in the long term. The department expects to request approximately \$613,600 for the second phase in FY 2021.</p>					
Agency Request	0.00	462,100	151,500	0	613,600
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. Electronic Monitoring					
Community Supervision					
<p>The department requests \$300,000 in ongoing operating expenditures from the General Fund to expand its electronic monitoring program by contracting with a vendor to perform device installation, activation, removal, deactivation, monitoring, and reporting. Electronic monitoring provides the department with a discretionary alternative to incarceration for offenders that violate the terms of their probation or parole. The equipment provides probation and parole officers (PPOs) with email alerts for boundary violations, curfew violations, bracelet tampering, or failure to charge the unit. In the case of alcohol monitoring devices, a positive alcohol test will also generate an alert. In the event that violations are detected, PPOs have several options available to them, ranging from extending the amount of time the offender is on electronic monitoring to submission of a formal violation. Currently, approximately 30 passive GPS tracking and alcohol monitoring devices are utilized by the department at an average annual cost of \$32,100. However, this amount only covers equipment lease costs. The department estimates that it can contract with a vendor for \$250 per device per month. If this request is funded, the department could electronically monitor an additional 100 offenders. It would also relieve PPOs from all equipment and monitoring related functions and free-up more time for other supervision practices. The department requested 1.00 FTP and \$351,100 to expand its electronic monitoring program in FY 2019. However, that request was neither recommended by the Governor nor funded by the Legislature.</p>					
Agency Request	0.00	300,000	0	0	300,000
<i>The Governor recommends funding to monitor 50 additional offenders.</i>					
Governor's Recommendation	0.00	150,000	0	0	150,000
16. Twin Falls CRC					
<p>The department requests 15.00 FTP and \$1,325,200 to begin operating the newly-acquired Twin Falls Community Reentry Center (CRC). Of the total amount requested, \$605,500 in ongoing personnel costs from the General Fund is for the salary and benefits of one correctional manager, one administrative assistant, two correctional corporals, six correctional officers, one correctional sergeant, two correctional case managers, one employment coordinator, and one food service officer; \$208,600 in onetime operating expenditures from the General Fund is for radio equipment, office furniture, computer equipment, and correctional furnishings; \$324,600 in onetime capital outlay from the General Fund is for eight vans, two sedans, and one truck; and \$186,500 in ongoing operating expenditures from the Inmate Labor Fund is for routine maintenance. The Division of Public Works was appropriated \$9,114,200 in FY 2019 to acquire and renovate a space for a new 120-bed CRC in Twin Falls. The department expects the space to be renovated and ready for occupancy in January of 2020. This request represents the funding needed to operate the facility for approximately half of FY 2020. The department expects to include an FY 2021 annualization in the approximate amount of \$489,200.</p>					
Agency Request	15.00	1,138,700	186,500	0	1,325,200
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Community Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	470.35	29,436,700	10,739,000	486,500	40,662,200
<i>Governor's Recommendation</i>	<i>436.35</i>	<i>25,795,700</i>	<i>10,391,100</i>	<i>488,800</i>	<i>36,675,600</i>
Agency Request					
Change from Original App	53.00	6,042,000	562,500	(76,000)	6,528,500
% Change from Original App	12.7%	25.8%	5.5%	(13.5%)	19.1%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>19.00</i>	<i>2,401,000</i>	<i>214,600</i>	<i>(73,700)</i>	<i>2,541,900</i>
<i>% Change from Original App</i>	<i>4.6%</i>	<i>10.3%</i>	<i>2.1%</i>	<i>(13.1%)</i>	<i>7.4%</i>

Community-Based Substance Abuse Treatment

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	7,821,300	7,689,000	7,828,300	7,850,800	6,417,300
Dedicated	1,895,700	1,895,700	2,078,100	2,078,100	1,039,000
Total:	9,717,000	9,584,700	9,906,400	9,928,900	7,456,300
Percent Change:		(1.4%)	3.4%	0.2%	(24.7%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,374,000	1,241,700	1,382,900	1,397,700	1,408,300
Operating Expenditures	161,000	152,700	159,100	166,800	166,800
Trustee/Benefit	6,322,800	8,190,300	8,364,400	8,364,400	5,881,200
Lump Sum	1,859,200	0	0	0	0
Total:	9,717,000	9,584,700	9,906,400	9,928,900	7,456,300
Full-Time Positions (FTP)	18.00	18.00	18.00	18.00	18.00

Division Description

It is the policy of the Idaho Department of Correction to provide treatment and education to offenders who fall within its jurisdiction. All offenders are assessed to determine their medical condition, programmatic needs, education level, and mental health. The information from these assessments is used to format a rehabilitation program to address each offender's identified risk and needs. The ultimate goal of correctional programming is to reduce recidivism. Providing opportunities for offenders to live a crime-free and drug-free lifestyle through programming accomplishes this goal and provides for safer communities.

The basis of quality treatment and education is twofold: assessments and case plans. Case plans prioritize offender needs and create a plan for accountability that can lead to successful reintegration into Idaho communities. A continuum of core programs is identified and implemented throughout the correctional system and in the community.

In the community, the department provides coordination and assessment of community-based substance use disorder treatment and recovery support services for felony offenders. It serves felony offenders who benefit from delivery of substance use disorder treatment in the community, rather than through incarceration and service delivery in a state facility. By delivering evidence-based treatment via private community providers, offenders accessing services are at a reduced risk to reoffend with a corresponding cost avoidance to the state in reduced incarceration rates.

This function was historically funded through the Education and Treatment Division, which was composed of two budgeted programs: (a) Offender Programs; and (b) Community-Based Substance Abuse Treatment. For FY 2017, however, the department requested to decentralize Offender Programs. Ultimately, the Legislature reallocated 35.00 FTP and five temporary positions, along with their associated personnel costs and operating expenditures, among other budgeted programs within the department. The department requested this decentralization because a review of its division structure and its positions in headquarters highlighted confusion in lines of communication and reporting, as well as redundancy of effort across divisional lines. Thus, the Education and Treatment Division was renamed as Community-Based Substance Abuse Treatment. It contains one budgeted program with the same name.

Community-Based Substance Abuse Treatment

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	18.00	7,828,300	9,906,400	18.00	7,828,300	9,906,400
FY 2020 Base	18.00	7,828,300	9,906,400	18.00	7,828,300	9,906,400
Benefit Costs	0.00	3,100	3,100	0.00	(9,700)	(9,700)
Statewide Cost Allocation	0.00	7,700	7,700	0.00	7,700	7,700
Change in Employee Compensation	0.00	11,700	11,700	0.00	35,100	35,100
FY 2020 Program Maintenance	18.00	7,850,800	9,928,900	18.00	7,861,400	9,939,500
17. Medicaid Expansion/ SUDS Reduction	0.00	0	0	0.00	(1,444,100)	(2,483,200)
FY 2020 Total	18.00	7,850,800	9,928,900	18.00	6,417,300	7,456,300
Change from Original Appropriation	0.00	22,500	22,500	0.00	(1,411,000)	(2,450,100)
% Change from Original Appropriation		0.3%	0.2%		(18.0%)	(24.7%)

Community-Based Substance Abuse Treatment

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	18.00	7,828,300	2,078,100	0	9,906,400
FY 2020 Base					
Agency Request	18.00	7,828,300	2,078,100	0	9,906,400
Governor's Recommendation	18.00	7,828,300	2,078,100	0	9,906,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	3,100	0	0	3,100
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(9,700)	0	0	(9,700)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$7,700.

Agency Request	0.00	7,700	0	0	7,700
Governor's Recommendation	0.00	7,700	0	0	7,700

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	11,700	0	0	11,700
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	35,100	0	0	35,100
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FY 2020 Program Maintenance					
Agency Request	18.00	7,850,800	2,078,100	0	9,928,900
Governor's Recommendation	18.00	7,861,400	2,078,100	0	9,939,500

17. Medicaid Expansion/ SUDS Reduction

Agency Request	0.00	0	0	0	0
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The Governor recommends a total reduction of \$2,483,200 to account for the fiscal impact of Proposition 2, of which \$1,444,100 is from the General Fund and \$1,039,100 is from the Idaho Millennium Income Fund.

Governor's Recommendation	0.00	(1,444,100)	(1,039,100)	0	(2,483,200)
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FY 2020 Total					
Agency Request	18.00	7,850,800	2,078,100	0	9,928,900
Governor's Recommendation	18.00	6,417,300	1,039,000	0	7,456,300

Agency Request

Change from Original App	0.00	22,500	0	0	22,500
% Change from Original App	0.0%	0.3%	0.0%		0.2%

Governor's Recommendation

Change from Original App	0.00	(1,411,000)	(1,039,100)	0	(2,450,100)
% Change from Original App	0.0%	(18.0%)	(50.0%)		(24.7%)

Medical Services

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	47,398,800	46,673,600	49,681,900	54,727,700	48,835,100
Dedicated	135,000	135,000	135,000	135,000	135,000
Total:	47,533,800	46,808,600	49,816,900	54,862,700	48,970,100
Percent Change:		(1.5%)	6.4%	10.1%	(1.7%)
BY OBJECT OF EXPENDITURE					
Operating Expenditures	47,533,800	46,802,000	49,816,900	54,862,700	48,970,100
Capital Outlay	0	6,600	0	0	0
Total:	47,533,800	46,808,600	49,816,900	54,862,700	48,970,100

Division Description

The Medical Services Division accounts for costs paid to a medical service provider for Idaho offenders housed in state prisons and community work centers. Should an offender who is housed in a county jail or in an out-of-state facility develop medical issues, that offender will be transferred to a state facility and receive treatment under the medical services contract. If the offender cannot be transferred to a state facility, the state will then pay the cost of catastrophic medical services.

Medical Services

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	49,681,900	49,816,900	0.00	49,681,900	49,816,900
1. Population-Driven Costs	0.00	762,700	762,700	0.00	51,300	51,300
2. SICI North Dorm Conversion	0.00	629,900	629,900	0.00	524,800	524,800
FY 2019 Total Appropriation	0.00	51,074,500	51,209,500	0.00	50,258,000	50,393,000
FY 2020 Base	0.00	51,074,500	51,209,500	0.00	50,258,000	50,393,000
9. PREA Screenings	0.00	1,030,200	1,030,200	0.00	0	0
15. Population-Driven Costs	0.00	2,623,000	2,623,000	0.00	0	0
17. Medicaid Expansion/ Per Diem Reduction	0.00	0	0	0.00	(1,422,900)	(1,422,900)
FY 2020 Total	0.00	54,727,700	54,862,700	0.00	48,835,100	48,970,100
Change from Original Appropriation	0.00	5,045,800	5,045,800	0.00	(846,800)	(846,800)
% Change from Original Appropriation		10.2%	10.1%		(1.7%)	(1.7%)

Medical Services

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	49,681,900	135,000	0	49,816,900

1. Population-Driven Costs

The department requests to increase its ongoing General Fund appropriation in Medical Services by \$762,700 in operating expenditures to align its budget with updated offender forecasts and bed utilization estimates. At the time the budget was set for FY 2019, the department estimated an average daily count of 7,576 inmates, at the average rate of \$16.71 per inmate per day. As of October 29, 2018, however, the department estimated an average daily count of 7,712 inmates, at the average rate of \$16.79 per inmate per day. This initial estimate fluctuates on a month-to-month basis as bed counts are updated. Thus, by the time the budget is set for this division, the actual amount needed may differ from the amount requested here. The department currently has \$46,496,500 in its base appropriation for medical per diem. This request reflects the difference between the appropriation and estimated cost of medical per diem.

Agency Request	0.00	762,700	0	0	762,700
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The Governor's recommendation reflects updated offender forecasts and bed-utilization estimates.

Governor's Recommendation	0.00	51,300	0	0	51,300
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2. SICI North Dorm Conversion

The department requests \$629,900 in ongoing operating expenditures from the General Fund to pay for a \$0.44 increase in the medical services per diem attributable to the recent conversion of SICI's north dorm from male to female inmates. According to the department, the female population in the county jails has increased substantially, and there is otherwise limited bed space for female termers. Prior to conversion, the SICI north dorm held 290 minimum custody male termers. After conversion, the north dorm will hold 290 female termers and riders. The per diem increase associated with the conversion is due to the relatively higher cost of medical treatment for women as well as the logistical requirements of accommodating women and men in the same facility. If funded, this increase will be accounted for with population-driven costs in FY 2020, with \$0.44 added to the per diem rate and \$629,900 added to the appropriation.

Agency Request	0.00	629,900	0	0	629,900
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The Governor's recommendation reflects updated offender forecasts and bed-utilization estimates.

Governor's Recommendation	0.00	524,800	0	0	524,800
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FY 2019 Total Appropriation					
Agency Request	0.00	51,074,500	135,000	0	51,209,500
Governor's Recommendation	0.00	50,258,000	135,000	0	50,393,000
FY 2020 Base					
Agency Request	0.00	51,074,500	135,000	0	51,209,500
Governor's Recommendation	0.00	50,258,000	135,000	0	50,393,000

Medical Services

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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9. PREA Screenings

The department requests \$1,030,200, from the General Fund to contract for inmate screenings and facility audits required by the Prison Rape Elimination Act (PREA). Of the total amount requested, \$895,200 is in ongoing operating expenditures for contractor personnel (\$737,100) and screening costs (\$158,100); and \$135,000 is in onetime operating expenditures for a new PREA screening module. According to the department, PREA screenings identify potential victims of sexual abuse and potential predators. Currently, the department's private medical services contract only provides for screenings upon intake and transfer. Pursuant to PREA, however, facilities must complete screenings within 72 hours of inmate arrival, offer clinical follow-up within 14 days when past abuse or abusiveness is revealed, and reassess all inmates within 30 days of arrival. Also, event-driven screenings can be triggered by a referral, request, incident, or risk. Aside from complying with PREA, the department believes the added screenings will enhance facility safety by allowing inmate movement staff to separate potentially vulnerable and potentially predatory inmates. For FY 2019, the department requested 5.00 FTP and \$400,800 from the General Fund to perform inmate screenings and facility audits required by PREA in-house. The department did not request funding for a new electronic medical records system at that time. Now, the department seeks to contract its PREA responsibilities. Though the PREA screening module is not necessary to comply with PREA, the department asserts that it will offer a seamless approach by integrating with the existing medical records system, and eliminating some repetition of information and tasks. If funded, this increase will be accounted for with population-driven costs in the FY 2021 budget request and beyond, with approximately \$0.31 added to the per diem rate and \$895,200 added to the appropriation.

Agency Request	0.00	1,030,200	0	0	1,030,200
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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15. Population-Driven Costs

Ongoing operating expenditures from the General Fund are requested to pay for contract medical services provided to offenders housed in state-operated prison facilities and the privately-operated Correctional Alternative Placement Program (CAPP). Beginning on January 1, 2020, the contract calls for a 3% increase in the per diem rate if certain performance standards are met, and will require additional resources to cover the obligation. The per diem is expected to increase from \$17.54 per inmate per day to \$18.07 per inmate per day. For Medical Services in FY 2020, the department estimates an average daily count of 7,792 inmates, at the average rate of \$17.76 per inmate per day. The department is expected to have a base appropriation of \$47,889,100 for medical per diem in FY 2020. This request reflects the difference between the appropriation and estimated cost.

Agency Request	0.00	2,623,000	0	0	2,623,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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17. Medicaid Expansion/ Per Diem Reduction

Agency Request	0.00	0	0	0	0
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The Governor recommends a total reduction of \$1,422,900 to account for the fiscal impact of Proposition 2.

Governor's Recommendation	0.00	(1,422,900)	0	0	(1,422,900)
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FY 2020 Total

Agency Request	0.00	54,727,700	135,000	0	54,862,700
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Governor's Recommendation	0.00	48,835,100	135,000	0	48,970,100
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Agency Request

Change from Original App	0.00	5,045,800	0	0	5,045,800
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% Change from Original App		10.2%	0.0%		10.1%
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Governor's Recommendation

Change from Original App	0.00	(846,800)	0	0	(846,800)
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% Change from Original App		(1.7%)	0.0%		(1.7%)
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Commission of Pardons & Parole

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	3,248,800	3,125,200	3,317,400	3,463,900	3,403,400
Dedicated	70,700	5,500	70,700	70,700	74,200
Total:	3,319,500	3,130,700	3,388,100	3,534,600	3,477,600
Percent Change:		(5.7%)	8.2%	4.3%	2.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,689,000	2,595,300	2,721,400	2,826,200	2,765,700
Operating Expenditures	627,700	524,900	666,700	708,400	711,900
Capital Outlay	2,800	10,500	0	0	0
Total:	3,319,500	3,130,700	3,388,100	3,534,600	3,477,600
Full-Time Positions (FTP)	37.00	37.00	37.00	38.00	37.00

Division Description

The Idaho Commission of Pardons and Parole is charged with the responsibility for parole (inmates selected for release by the commission after serving at least the minimum portion of their sentence), commutation (modification of an offender's sentence), and pardon (forgiveness of a sentence). The commission's goal is to provide the highest degree of protection to the community while providing offenders the opportunity to become responsible members of society. The seven commission members are appointed by the Governor to three-year terms and are subject to confirmation by the Idaho Senate.

Commission of Pardons & Parole

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	37.00	3,317,400	3,388,100	37.00	3,317,400	3,388,100
FY 2020 Base	37.00	3,317,400	3,388,100	37.00	3,317,400	3,388,100
Benefit Costs	0.00	6,000	6,000	0.00	(19,600)	(19,600)
Inflationary Adjustments	0.00	7,000	7,000	0.00	7,000	7,000
Statewide Cost Allocation	0.00	5,200	5,200	0.00	5,200	5,200
Change in Employee Compensation	0.00	23,000	23,000	0.00	63,900	63,900
FY 2020 Program Maintenance	37.00	3,358,600	3,429,300	37.00	3,373,900	3,444,600
1. Parole Instrument Validation	0.00	20,000	20,000	0.00	20,000	20,000
2. IT Consulting	0.00	9,500	9,500	0.00	9,500	9,500
3. Parole Investigator Supervisor	1.00	75,800	75,800	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	3,500
FY 2020 Total	38.00	3,463,900	3,534,600	37.00	3,403,400	3,477,600
Change from Original Appropriation	1.00	146,500	146,500	0.00	86,000	89,500
% Change from Original Appropriation		4.4%	4.3%		2.6%	2.6%

Commission of Pardons & Parole

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	37.00	3,317,400	70,700	0	3,388,100
FY 2020 Base					
Agency Request	37.00	3,317,400	70,700	0	3,388,100
Governor's Recommendation	37.00	3,317,400	70,700	0	3,388,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	6,000	0	0	6,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(19,600)	0	0	(19,600)
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Inflationary Adjustments

Contract inflation includes \$7,000 for office space lease costs. The commission's current office space lease of 14,000 square feet includes annual increases of 50 cents per square foot. The commission currently has a base appropriation of \$239,000 for its office space lease.

Agency Request	0.00	7,000	0	0	7,000
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Governor's Recommendation	0.00	7,000	0	0	7,000
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$3,400, State Controller fees will increase by \$1,700, and State Treasurer fees will increase by \$100, for a net increase of \$5,200.

Agency Request	0.00	5,200	0	0	5,200
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Governor's Recommendation	0.00	5,200	0	0	5,200
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	23,000	0	0	23,000
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	63,900	0	0	63,900
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FY 2020 Program Maintenance					
Agency Request	37.00	3,358,600	70,700	0	3,429,300
Governor's Recommendation	37.00	3,373,900	70,700	0	3,444,600

1. Parole Instrument Validation

The commission requests \$20,000 in onetime operating expenditures from the General Fund for validation of its parole guideline instrument. The commission has used the risk-based instrument to guide its parole decisions since 2015. According to the commission, periodic validation of the instrument's predictive ability is necessary, and should be conducted by a neutral third party.

Agency Request	0.00	20,000	0	0	20,000
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Governor's Recommendation	0.00	20,000	0	0	20,000
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Commission of Pardons & Parole

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. IT Consulting					
This request is for \$9,500 in ongoing operating expenditures from the General Fund to pay for the maintenance costs associated with the commission's Access database, which tracks all parole decisions, creates forms, tracks mail and various petitions, and is the central data repository for the agency. The commission requested this line item for FY 2019, but it was not funded. S1433 of 2014 was a trailer appropriation to S1357 of 2014, better known as the Justice Reinvestment Initiative. In relevant part, it appropriated an additional \$225,000 to the commission for FY 2015 to hire an information technology position to upgrade and maintain the commission's antiquated database. Ultimately, the commission opted to hire a business analyst, instead, and to contract with a private firm to develop upgrades to the database. Between FY 2015 and FY 2017, the commission expended a total of \$102,300 on the contractor to develop an Access database. Now that the database has been developed, the commission expects database maintenance to cost \$95 per hour, two hours per week, 50 weeks per year, for a total annual cost of \$9,500.					
Agency Request	0.00	9,500	0	0	9,500
Governor's Recommendation	0.00	9,500	0	0	9,500
3. Parole Investigator Supervisor					
The commission requests 1.00 FTP and \$75,800 in ongoing personnel costs from the General Fund to hire a parole investigator supervisor. The position is requested to reduce the span of control of the agency's deputy director. According to the commission, the deputy director currently supervises 20 parole investigators (i.e., hearing officers), which limits the ability to engage in other important business for the commission. The new position would directly oversee parole investigator functions, ensure quality of reports, and provide performance management and evaluations for approximately ten parole investigators.					
Agency Request	1.00	75,800	0	0	75,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	3,500	0	3,500
FY 2020 Total					
Agency Request	38.00	3,463,900	70,700	0	3,534,600
Governor's Recommendation	37.00	3,403,400	74,200	0	3,477,600
Agency Request					
Change from Original App	1.00	146,500	0	0	146,500
% Change from Original App	2.7%	4.4%	0.0%		4.3%
Governor's Recommendation					
Change from Original App	0.00	86,000	3,500	0	89,500
% Change from Original App	0.0%	2.6%	5.0%		2.6%

Idaho Legislative Budget Book

Judicial Branch

2019 Legislative Session

Court Operations	3 - 53
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Judicial Council	3 - 67

Judicial Branch

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Court Operations	71,124,100	65,339,000	72,501,900	72,469,800	73,119,000
Guardian Ad Litem Program	1,109,200	1,104,100	1,109,200	1,179,400	1,179,200
Judicial Council	130,800	118,500	130,800	130,800	130,800
Total:	72,364,100	66,561,600	73,741,900	73,780,000	74,429,000
BY FUND CATEGORY					
General	49,400,200	49,333,000	47,055,600	50,346,600	50,887,300
Dedicated	21,246,200	16,473,000	24,798,400	21,541,100	21,645,200
Federal	1,717,700	755,600	1,887,900	1,892,300	1,896,500
Total:	72,364,100	66,561,600	73,741,900	73,780,000	74,429,000
Percent Change:		(8.0%)	10.8%	0.1%	0.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	46,342,600	45,465,100	49,128,800	51,130,500	51,761,400
Operating Expenditures	10,808,400	12,291,900	11,252,900	11,844,800	11,862,900
Capital Outlay	8,989,700	2,643,000	7,000,500	3,640,000	3,640,000
Trustee/Benefit	6,223,400	6,161,600	6,359,700	7,164,700	7,164,700
Total:	72,364,100	66,561,600	73,741,900	73,780,000	74,429,000
Full-Time Positions (FTP)	334.00	334.00	353.00	362.00	362.00

Department Description

Idaho's Judicial Branch is a unified court system in which all state courts are administered and supervised by the Idaho Supreme Court. The Supreme Court establishes statewide rules and policies for the operation of its functions and that of the district courts. It is divided into seven judicial districts, each encompassing four to ten counties. This regional structure is designed to delegate authority to the judicial districts and to ensure their participation in policy decisions while maintaining uniform, statewide rules and procedures.

For budgeting purposes, the Judicial Branch is composed of three divisions: Court Operations, Guardian Ad Litem Program, and Judicial Council.

Judicial Branch

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	353.00	47,055,600	73,741,900	353.00	47,055,600	73,741,900
Noncognizable Funds and Transfers	1.00	0	0	1.00	0	0
FY 2019 Estimated Expenditures	354.00	47,055,600	73,741,900	354.00	47,055,600	73,741,900
Removal of Onetime Expenditures	0.00	(121,300)	(3,479,300)	0.00	(121,300)	(3,479,300)
Base Adjustments	1.00	0	0	1.00	0	0
FY 2020 Base	355.00	46,934,300	70,262,600	355.00	46,934,300	70,262,600
Benefit Costs	0.00	119,700	153,200	0.00	(52,100)	(69,800)
Statewide Cost Allocation	0.00	(26,100)	(26,100)	0.00	(26,100)	(26,100)
Annualizations	0.00	42,300	42,300	0.00	42,300	42,300
Change in Employee Compensation	0.00	115,300	186,900	0.00	307,200	520,200
FY 2020 Program Maintenance	355.00	47,185,500	70,618,900	355.00	47,205,600	70,729,200
Line Items						
Court Operations						
1. Court Reporter Pay	0.00	340,500	340,500	0.00	340,500	340,500
2. Problem-Solving Courts	0.00	447,300	447,300	0.00	445,200	445,200
3. Court Assistance	0.00	199,000	199,000	0.00	200,500	200,500
4. Judicial CEC	0.00	262,700	262,700	0.00	788,300	788,300
5. Ada County Judges & Court Reporter	4.00	518,800	518,800	4.00	516,200	516,200
6. Senior Financial Specialist	1.00	109,500	109,500	1.00	108,900	108,900
7. Research & Evaluation Analyst	1.00	99,800	99,800	1.00	99,200	99,200
8. ADA Consultant Year 2	0.00	34,000	34,000	0.00	34,000	34,000
9. Court Education Specialist	1.00	194,500	194,500	1.00	193,900	193,900
10. PSC Direct Appropriation	0.00	735,000	735,000	0.00	735,000	735,000
11. Juror Compensation	0.00	150,000	150,000	0.00	150,000	150,000
Guardian Ad Litem Program						
12. Advocate Coordinator	0.00	70,000	70,000	0.00	70,000	70,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	18,100
FY 2020 Total	362.00	50,346,600	73,780,000	362.00	50,887,300	74,429,000
Chg from FY 2019 Orig Approp.	9.00	3,291,000	38,100	9.00	3,831,700	687,100
% Chg from FY 2019 Orig Approp.	2.5%	7.0%	0.1%	2.5%	8.1%	0.9%

Court Operations

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Supreme Court	9,276,900	8,359,700	9,717,800	10,238,300	10,330,900
Court of Appeals	2,230,500	2,056,800	2,261,300	2,286,200	2,314,600
District Courts	34,018,000	29,963,400	33,980,100	31,465,400	31,757,300
Magistrate Division	18,417,700	17,878,800	18,915,900	20,093,900	20,330,900
Water Adjudication	892,800	827,000	902,100	911,800	920,600
Community-Based Substance Abuse	5,208,800	5,208,800	5,542,800	6,280,500	6,282,800
Senior Judges	1,079,400	1,044,500	1,181,900	1,193,700	1,181,900
Total:	71,124,100	65,339,000	72,501,900	72,469,800	73,119,000
BY FUND CATEGORY					
General	48,160,200	48,110,400	45,815,600	49,036,400	49,577,300
Dedicated	21,246,200	16,473,000	24,798,400	21,541,100	21,645,200
Federal	1,717,700	755,600	1,887,900	1,892,300	1,896,500
Total:	71,124,100	65,339,000	72,501,900	72,469,800	73,119,000
Percent Change:		(8.1%)	11.0%	0.0%	0.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	46,324,100	45,449,600	49,110,300	51,111,800	51,742,900
Operating Expenditures	10,679,400	12,177,300	11,123,900	11,715,800	11,733,900
Capital Outlay	8,989,700	2,643,000	7,000,500	3,640,000	3,640,000
Trustee/Benefit	5,130,900	5,069,100	5,267,200	6,002,200	6,002,200
Total:	71,124,100	65,339,000	72,501,900	72,469,800	73,119,000
Full-Time Positions (FTP)	334.00	334.00	353.00	362.00	362.00

Division Description

The Court Operations Division is composed of seven budgeted programs as follows:

SUPREME COURT: The Supreme Court hears appeals from final decisions of the district courts, as well as from orders of the Public Utilities Commission (PUC) and the Industrial Commission. The court also has original jurisdiction over actions involving challenges to legislative apportionment.

DISTRICT COURTS: These courts have original jurisdiction over all civil and criminal cases, and over appeals from the magistrate courts, state agencies, and county boards.

MAGISTRATE DIVISION: Magistrate courts have jurisdiction over cases involving domestic violence, domestic relations, probate, juvenile cases, civil cases under \$10,000, felony preliminary hearings, criminal misdemeanors, and infractions.

COURT OF APPEALS: This appellate court is assigned cases from the Idaho Supreme Court. The court has jurisdiction to hear and decide all cases assigned to it by the Supreme Court, except cases invoking the Supreme Court's original jurisdiction, appeals from the Industrial Commission, PUC, tax appeals, and death penalty cases.

WATER ADJUDICATION: This program manages the process established to inventory all surface and ground water rights in the Snake River Basin and, now, in the Coeur d'Alene-Spokane River Basin.

COMMUNITY-BASED SUBSTANCE ABUSE TREATMENT: Through this program, funds are appropriated for distribution to problem-solving courts statewide.

SENIOR JUDGES: This program accounts for senior judge days separate from the agency's other activities.

Court Operations

Comparative Summary

Analyst: Hoskins

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	353.00	45,815,600	72,501,900	353.00	45,815,600	72,501,900
Noncognizable Funds and Transfers	1.00	0	0	1.00	0	0
FY 2019 Estimated Expenditures	354.00	45,815,600	72,501,900	354.00	45,815,600	72,501,900
Removal of Onetime Expenditures	0.00	(121,300)	(3,479,300)	0.00	(121,300)	(3,479,300)
Base Adjustments	1.00	0	0	1.00	0	0
FY 2020 Base	355.00	45,694,300	69,022,600	355.00	45,694,300	69,022,600
Benefit Costs	0.00	119,700	153,200	0.00	(52,100)	(69,800)
Statewide Cost Allocation	0.00	(26,100)	(26,100)	0.00	(26,100)	(26,100)
Annualizations	0.00	42,300	42,300	0.00	42,300	42,300
Change in Employee Compensation	0.00	115,100	186,700	0.00	307,200	520,200
FY 2020 Program Maintenance	355.00	45,945,300	69,378,700	355.00	45,965,600	69,489,200
1. Court Reporter Pay	0.00	340,500	340,500	0.00	340,500	340,500
2. Problem-Solving Courts	0.00	447,300	447,300	0.00	445,200	445,200
3. Court Assistance	0.00	199,000	199,000	0.00	200,500	200,500
4. Judicial CEC	0.00	262,700	262,700	0.00	788,300	788,300
5. Ada County Judges & Court Reporter	4.00	518,800	518,800	4.00	516,200	516,200
6. Senior Financial Specialist	1.00	109,500	109,500	1.00	108,900	108,900
7. Research & Evaluation Analyst	1.00	99,800	99,800	1.00	99,200	99,200
8. ADA Consultant Year 2	0.00	34,000	34,000	0.00	34,000	34,000
9. Court Education Specialist	1.00	194,500	194,500	1.00	193,900	193,900
10. PSC Direct Appropriation	0.00	735,000	735,000	0.00	735,000	735,000
11. Juror Compensation	0.00	150,000	150,000	0.00	150,000	150,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	18,100
FY 2020 Total	362.00	49,036,400	72,469,800	362.00	49,577,300	73,119,000
Change from Original Appropriation	9.00	3,220,800	(32,100)	9.00	3,761,700	617,100
% Change from Original Appropriation		7.0%	0.0%		8.2%	0.9%

Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	353.00	45,815,600	24,798,400	1,887,900	72,501,900

Noncognizable Funds and Transfers

Current year expenditure adjustments aimed at aligning the appropriation with the actual use and expenditure of funds include, first, the shift of 0.30 FTP from the Federal Grant Fund to the General Fund along with a General Fund object transfer of \$34,600 from operating expenditures to personnel costs to fund the FTP increase on the General Fund. Next, 1.00 FTP is added on the Drug Court, Mental Health Court, and Family Court Services Fund, along with an object transfer of \$107,900 from operating expenditures to personnel costs to fund the FTP adjustment. Lastly, \$1,800 from the General Fund and \$1,000 from the Drug Court, Mental Health Court, and Family Court Services Fund is transferred from operating expenditures to personnel costs.

Agency Request	1.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	1.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	354.00	45,815,600	24,798,400	1,887,900	72,501,900
<i>Governor's Recommendation</i>	354.00	45,815,600	24,798,400	1,887,900	72,501,900

Removal of Onetime Expenditures

This decision unit removes onetime amounts appropriated as line items in FY 2019 as follows: year 5 of 5 of the court technology implementation plan (\$3,358,000); ADA consultant (\$68,800); foster care reform (\$50,000); and the new Jerome County magistrate (\$2,500).

Agency Request	0.00	(121,300)	(3,358,000)	0	(3,479,300)
<i>Governor's Recommendation</i>	0.00	(121,300)	(3,358,000)	0	(3,479,300)

Base Adjustments

Each of the current year adjustments above (Noncognizable Funds and Transfers) are restored before being requested as ongoing base adjustments for FY 2020. Also, 1.00 additional FTP is added on the Drug Court, Mental Health Court, and Family Court Services Fund for a quality assurance coordinator for which the agency already has sufficient appropriation.

Agency Request	1.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	1.00	0	0	0	0

FY 2020 Base					
Agency Request	355.00	45,694,300	21,440,400	1,887,900	69,022,600
<i>Governor's Recommendation</i>	355.00	45,694,300	21,440,400	1,887,900	69,022,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	119,700	32,200	1,300	153,200
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
<i>Governor's Recommendation</i>	0.00	(52,100)	(17,300)	(400)	(69,800)

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will decrease by \$35,200, State Controller fees will increase by \$8,000, and State Treasurer fees will increase by \$1,100, for a net reduction of \$26,100.

Agency Request	0.00	(26,100)	0	0	(26,100)
<i>Governor's Recommendation</i>	0.00	(26,100)	0	0	(26,100)

Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Annualizations

The Supreme Court requests \$40,400 in ongoing personnel costs and \$1,900 in ongoing operating expenditures from the General Fund to annualize the partial funding provided for the new magistrate position (Jerome County) in FY 2019. Only nine months' funding was provided for FY 2019 because the magistrate's employment did not begin until October 1, 2018, the beginning of the county fiscal year. This adjustment provides the additional appropriation necessary to fund the entire year for the magistrate in FY 2020.

Agency Request	0.00	42,300	0	0	42,300
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Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.

Governor's Recommendation	0.00	42,300	0	0	42,300
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	115,100	68,500	3,100	186,700
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	307,200	204,000	9,000	520,200
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FY 2020 Program Maintenance

Agency Request	355.00	45,945,300	21,541,100	1,892,300	69,378,700
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Governor's Recommendation	355.00	45,965,600	21,627,100	1,896,500	69,489,200
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1. Court Reporter Pay

District Courts

The Supreme Court requests \$340,500 from the General Fund to provide pay increases to its 45 court reporters. Of the total amount requested, \$310,900 is in ongoing personnel costs for salary and variable benefits and \$29,600 is in ongoing operating expenditures for freelance court reporter services. Pursuant to Section 1-1101, Idaho Code, court reporters are required in each district court within the state for verbatim reporting of oral proceedings. According to the agency, it is having difficulty recruiting court reporters, particularly in rural areas. For example, a position recently remained vacant for over two years in the Fifth Judicial District, and two positions in the Fifth and Seventh Judicial Districts have now been vacant for over six months. Further, the agency expects to lose approximately 62% of its court reporters to retirement over the next ten years. To increase its recruitment capabilities, therefore, the agency seeks to increase its appropriation for court reporters by 10%, to be distributed by merit, with real-time certified court reporters receiving the largest increases. In addition, this request would increase the agency's base appropriation for freelance court reporters by 74%, from \$40,000 to \$69,600, with \$10,800 for daily rate increases, \$5,000 for lodging, \$9,300 for mileage, and \$4,500 for per diem. Court reporters currently earn \$53,400 per year on average. If funded, this request would allow the agency to increase their annual salaries to approximately \$58,700.

Agency Request	0.00	340,500	0	0	340,500
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Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.

Governor's Recommendation	0.00	340,500	0	0	340,500
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Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Problem-Solving Courts					Magistrate Division

This request is for \$447,300 from the General Fund so that the Supreme Court can shift its appropriation for its court assistance program from the Drug Court, Mental Health Court, and Family Court Services Fund ("the dedicated fund") to the General Fund while maintaining the corresponding appropriation for the dedicated fund. If funded, the request would free-up \$447,300 in cash and appropriation from the dedicated fund to be used primarily for problem-solving courts (PSCs). In particular, the court would use the newly unobligated funds for PSC quality assurance (\$168,200); PSC treatment and testing (\$210,300); mediation and co-parenting classes for family court services (\$58,600); and travel and coordination in domestic violence courts (\$10,200). Costs to be shifted to the General Fund include 1.00 FTP for a state court assistance officer along with the associated ongoing personnel costs in the amount of \$109,600; and \$337,700 in ongoing operating expenditures, which is used to pay for seven local court assistance officers (\$319,700), travel (\$5,100), professional development (\$5,300), and committee meetings (\$7,600). The agency believes the court assistance program is more appropriately funded from the General Fund.

Currently, pursuant to Section 1-1625, Idaho Code, moneys in the dedicated fund shall be used for "the operations of drug courts and mental health courts, including drug testing, substance abuse treatment and supervision, mental health assessment, treatment and supervision, and related court programs . . . For the purpose of assisting children and families in the courts . . . And for other court services as provided by statute."

Partly in response to budget cuts in FY 2003, H369 of 2003 originally established the dedicated fund as well as its revenue sources in order to ensure adequate funding for drug courts and family court services. To this end, certain financial obligations were shifted from the General Fund to the newly created dedicated fund in FY 2004, including \$521,100 for family court services and \$690,500 for drug courts.

Over the next several years, the enabling statute was amended to expand the permissible uses of the dedicated fund as well as its revenue sources. For instance, H334 of 2005 added mental health courts and "other court services" as a permissible use of the dedicated fund, and authorized a redirection of revenue from certain misdemeanor fines and forfeitures to the fund. Further, H687 of 2010 created a new emergency surcharge fee to be applied to felonies, misdemeanors, and infractions, with 80% of the revenue directed to the dedicated fund and the other 20% to the Court Technology Fund. Although the emergency surcharge fee was originally intended to sunset on June 30, 2013, the court proposed the removal of the sunset provision, and the Legislature supported the removal through H103 of 2013.

For FY 2017, due to the court's concern that it was "relying on an unstable and declining revenue source to operate court programs," the court requested and received a fund shift of 21.50 FTP and \$2,949,000 from the dedicated fund to the General Fund. To offset the cost to the General Fund, the court proposed H461 of 2016 to redirect 80% of the revenue generated by the emergency surcharge fee to the General Fund. In effect, this shifted the funding obligation for "other court services" from the dedicated fund to the General Fund while redirecting a like amount of revenue and appropriation from the dedicated fund to the General Fund. From a programmatic standpoint, therefore, the court did not expand or enhance its services—the funding mechanism was merely rearranged.

Here, the court is similarly proposing to shift funding obligations to the General Fund; however, there is no corresponding reduction to the appropriation or revenue of the dedicated fund, thus freeing-up \$447,300 in cash and appropriation from the dedicated fund to be used for the new PSC activities mentioned above. In other words, this request would result in the enhancement of PSC activities.

Agency Request	0.00	447,300	0	0	447,300
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Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments. This request is recommended by the Governor with changes for benefits and compensation.

Governor's Recommendation	0.00	445,200	0	0	445,200
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Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Court Assistance	Magistrate Division				
As a companion request to line item 2, the Supreme Court requests \$199,000 ongoing from the General Fund to enhance its court assistance program. Of the total amount requested, \$1,500 is in personnel costs for a 1% CEC placeholder for the state court assistance officer that is shifted to the General Fund in line item 2; and \$197,500 is in operating expenditures to equalize funding for the seven judicial districts (\$185,000) and to enhance funding for two judicial districts (\$12,500). Pursuant to Section 32-1402(5), Idaho Code, court assistance officers provide assistance to parties without legal representation to help them understand the legal requirements of the court system, including educational materials, court forms, assistance in completing court forms, information about court procedures, and referrals to public and community agencies and resources that provide legal and other services to parents and children. Currently, the court utilizes an appropriation of \$447,300 from the Drug Court, Mental Health Court, and Family Court Services Fund ("the dedicated fund") to fund its court assistance program. As discussed above regarding line item 2, however, the court is requesting to shift these costs to the General Fund. Together, therefore, line items 2 and 3 shift the current court assistance costs to the General Fund while providing additional moneys from the General Fund to enhance the court assistance program.					
Agency Request	0.00	199,000	0	0	199,000
<i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments. This request is recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	0.00	200,500	0	0	200,500
4. Judicial CEC	Supreme Ct, Ct of Appeals, District Cts, Magistrate Division				
Commensurate with all other state employees, a 1% CEC for judicial salaries is included in the request for calculation purposes only. For judicial salaries, the Supreme Court requests a CEC percentage equal to that recommended for all other state employees. Separate legislation will be required.					
Agency Request	0.00	262,700	0	0	262,700
<i>Commensurate with other state employees, the Governor has included a 3% increase for judicial salaries.</i>					
Governor's Recommendation	0.00	788,300	0	0	788,300
5. Ada County Judges & Court Reporter	District Courts, Magistrate Division				
The Supreme Court requests 4.00 FTP and \$518,800 from the General Fund to hire two new magistrate judges, one district judge, and one court reporter for Ada County. Of the total amount requested, \$490,000 is in ongoing personnel costs for salary and benefits; \$18,800 is in ongoing operating expenditures for travel; and \$10,000 is in onetime operating expenditures for computer equipment. Currently, there are 93 magistrate judges statewide, of which 19 are chambered in Ada County and 23 are chambered in the Fourth Judicial District. Also, there are currently 45 district judges statewide (including administrative district judges). Of the 45 district judges, 11 are chambered in the Fourth Judicial District, each with resident chambers in Ada County. Lastly, the Supreme Court has an appropriation for 45 court reporters, one for each district judge. The last enhancement for judicial positions in Ada County occurred in FY 2014, when the Supreme Court received an appropriation for two magistrate judges, one district judge, and one court reporter. While the number of total case filings statewide fluctuate or even decrease, according to the Supreme Court, demands on judicial resources have increased because caseloads have become increasingly complex and felony case numbers have increased. Coupled with other challenges, such as a significant increase in self-represented litigants, non-English language access needs, and an increase in the number of problem-solving courts, shifting demographics related to the condensing of Idaho's population have further strained judicial resources. This line item would fund each of these positions for nine months, to be hired on October 1, 2019, which corresponds with the respective county fiscal year. The request would need to be annualized as a maintenance adjustment in FY 2021. Separate legislation will be required to authorize a 12th district judge.					
Agency Request	4.00	518,800	0	0	518,800
<i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments. This request is recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	4.00	516,200	0	0	516,200

Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
6. Senior Financial Specialist					Supreme Court
<p>This request is for 1.00 FTP and \$109,500 from the General Fund to hire a senior financial specialist. Of the total amount requested, \$104,500 is in ongoing personnel costs for salary and benefits; \$2,500 is in ongoing operating expenditures for travel; and \$2,500 is in onetime operating expenditures for computer equipment. According to the agency, its Finance and Operations Division has experienced significant workload increases over the last ten years, particularly in accounting, monitoring, budget, forecasting, inventory, and invoicing. In order to bolster the capacity of its Finance and Operations Division to apply technical accounting principles (e.g., capital asset management, balance sheet and income statement accrual adjustments, etc.), the agency seeks to hire a senior financial specialist to be paid \$76,500 per year. The Supreme Court currently has 2.00 FTP appropriated for financial specialists earning an average of \$52,300 per year. However, these positions perform different functions such as processing travel reimbursement requests and compliance.</p>					
Agency Request	1.00	109,500	0	0	109,500
<p><i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments. This request is recommended by the Governor with changes for benefits and compensation.</i></p>					
Governor's Recommendation	1.00	108,900	0	0	108,900
7. Research & Evaluation Analyst					Supreme Court
<p>The Supreme Court requests 1.00 FTP and \$99,800 from the General Fund to hire a research and evaluation analyst. Of the total amount requested, \$94,800 is in ongoing personnel costs for salary and benefits; \$2,500 is in ongoing operating expenditures for travel; and \$2,500 is in onetime operating expenditures for computer equipment. According to the agency, a growing demand for data-driven decision-making has increased its need to produce accurate assessments of programs and analysis of court data. If funded, the position would work with internal program managers to develop the scope of required research and present findings to relevant internal committees to enhance their ability to make informed decisions. Further, the agency believes its research projects would benefit the broader justice and legislative communities through the publication of research findings and the enhanced capacity to explore research questions posed by external and legislative partners. The position would be paid \$68,500 per year. The Supreme Court currently has 1.00 FTP appropriated for a research and evaluation analyst earning \$64,700 per year.</p>					
Agency Request	1.00	99,800	0	0	99,800
<p><i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments. This request is recommended by the Governor with changes for benefits and compensation.</i></p>					
Governor's Recommendation	1.00	99,200	0	0	99,200
8. ADA Consultant Year 2					Supreme Court
<p>This request is for \$34,000 in onetime operating expenditures from the General Fund to hire a contracted Americans with Disabilities Act (ADA) consultant for a second year in a row. The consultant will continue to assist the Idaho courts with expert technical assistance regarding the assessment of physical standards for accessibility in county courthouses around the state. More specifically, these assessments would examine the areas where court services occur; building, restroom, and parking lot access; and court websites. Title II of the ADA requires that all programs, services, and activities of state and local government be accessible to individuals with disabilities. According to the court, an ADA consultant is critical to enhancing access to the courts, whether that is physical access to courthouses or access to programs, services, and activities by individuals with disabilities. The consultant would provide expertise and in-depth knowledge of the ADA architectural standards and the legal requirements.</p>					
Agency Request	0.00	34,000	0	0	34,000
<p><i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.</i></p>					
Governor's Recommendation	0.00	34,000	0	0	34,000

Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
9. Court Education Specialist					Supreme Court
<p>The Supreme Court requests 1.00 FTP and \$194,500 from the General Fund to hire a court education specialist to provide training opportunities to county court personnel statewide. Of the total amount requested, \$101,900 is in ongoing personnel costs for salary and benefits; \$90,100 is in ongoing operating expenditures for training courses, which will include topics such as employee orientation, problem-solving court supervision, business processes, etc.; and \$2,500 is in onetime operating expenditures for computer equipment. According to the agency, it is necessary to build an education and training structure that adheres to standard business processes and data entry requirements as the court moves from the implementation phase of the new case management system to a maintenance and improvement phase. If funded, the position would focus primarily on coordinating, managing, and delivering non-judicial education programs and activities statewide, with particular attention to county deputy clerks. The position would be paid \$74,400 per year.</p>					
Agency Request	1.00	194,500	0	0	194,500
<p><i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments. This request is recommended by the Governor with changes for benefits and compensation.</i></p>					
Governor's Recommendation	1.00	193,900	0	0	193,900
10. PSC Direct Appropriation					Community-Based Substance Abuse Treatment Services
<p>This request is for \$735,000 in ongoing trustee and benefit payments from the General Fund to provide a direct appropriation for certain problem-solving court (PSC) expenses. The Department of Health and Welfare currently has a General Fund appropriation of \$735,000 to provide substance use disorder services (SUDS) to misdemeanor PSC participants. The court pays bills from treatment providers and seeks reimbursement from the department through an interagency billing process. This request would simplify the process by providing the appropriation directly to the court, so that it no longer has to seek reimbursement. The department's Substance Abuse Treatment and Prevention Program has a corresponding reduction in its request. If funded, this request would have a net-zero effect on General Fund appropriation amounts statewide.</p>					
Agency Request	0.00	735,000	0	0	735,000
<p><i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.</i></p>					
Governor's Recommendation	0.00	735,000	0	0	735,000
11. Juror Compensation					Supreme Court
<p>The Supreme Court requests \$150,000 in operating expenditures from the General Fund in order to reimburse counties for lengthy juror compensation pursuant to Section 2-222, Idaho Code. H586 of 2018 amended Section 2-215, Idaho Code, to require counties to pay jurors \$50 per day for trials that exceed five days in length. The bill also created a new code section permitting counties to seek reimbursement from the Supreme Court for up to \$40 per day of lengthy juror compensation so paid. Since the reimbursements are made in arrears, the court is requesting \$75,000 onetime to cover estimated reimbursements for county FYs 2018 and 2019 and \$75,000 ongoing to cover estimated annual reimbursement requests.</p>					
Agency Request	0.00	150,000	0	0	150,000
<p><i>Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.</i></p>					
Governor's Recommendation	0.00	150,000	0	0	150,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<p><i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i></p>					
Governor's Recommendation	0.00	0	18,100	0	18,100
FY 2020 Total					
Agency Request	362.00	49,036,400	21,541,100	1,892,300	72,469,800
Governor's Recommendation	362.00	49,577,300	21,645,200	1,896,500	73,119,000

Court Operations

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	9.00	3,220,800	(3,257,300)	4,400	(32,100)
% Change from Original App	2.5%	7.0%	(13.1%)	0.2%	0.0%
Governor's Recommendation					
Change from Original App	9.00	3,761,700	(3,153,200)	8,600	617,100
% Change from Original App	2.5%	8.2%	(12.7%)	0.5%	0.9%

Guardian Ad Litem Program

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,109,200	1,104,100	1,109,200	1,179,400	1,179,200
Percent Change:		(0.5%)	0.5%	6.3%	6.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	16,700	10,300	16,700	16,900	16,700
Operating Expenditures	0	1,300	0	0	0
Trustee/Benefit	1,092,500	1,092,500	1,092,500	1,162,500	1,162,500
Total:	1,109,200	1,104,100	1,109,200	1,179,400	1,179,200

Division Description

Guardian Ad Litem grants are awarded to Court Appointed Special Advocate (CASA) programs to recruit, train, and coordinate volunteers to act as court-appointed special advocates for abused, neglected, or abandoned children under the Child Protective Act.

Guardian Ad Litem Program

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	1,109,200	1,109,200	0.00	1,109,200	1,109,200
FY 2020 Base	0.00	1,109,200	1,109,200	0.00	1,109,200	1,109,200
Change in Employee Compensation	0.00	200	200	0.00	0	0
FY 2020 Program Maintenance	0.00	1,109,400	1,109,400	0.00	1,109,200	1,109,200
12. Advocate Coordinator	0.00	70,000	70,000	0.00	70,000	70,000
FY 2020 Total	0.00	1,179,400	1,179,400	0.00	1,179,200	1,179,200
Change from Original Appropriation	0.00	70,200	70,200	0.00	70,000	70,000
% Change from Original Appropriation		6.3%	6.3%		6.3%	6.3%

Guardian Ad Litem Program

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	1,109,200	0	0	1,109,200
FY 2020 Base					
Agency Request	0.00	1,109,200	0	0	1,109,200
Governor's Recommendation	0.00	1,109,200	0	0	1,109,200

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	200	0	0	200
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Program Maintenance					
Agency Request	0.00	1,109,400	0	0	1,109,400
Governor's Recommendation	0.00	1,109,200	0	0	1,109,200

12. Advocate Coordinator

On behalf of various guardian ad litem (GAL) programs, the Supreme Court requests \$70,000 in ongoing trustee and benefit payments from the General Fund so the Fourth Judicial District's GAL program can hire a full-time advocate coordinator for GAL appointments in proceedings under the Child Protective Act (CPA). Pursuant to Section 16-1602(22), Idaho Code, the Supreme Court is the grant administrator of funds in the GAL Account. The GAL Account consists of donations, gifts, and state funds appropriated to the Supreme Court for payment of grants to qualified recipients, such as the Court Appointed Special Advocates/GAL Boards in the seven judicial districts. These funds are used to appoint a GAL in each CPA proceeding involving a child under the age of 12, and in some involving children over the age of 12, as required by Section 16-1614, Idaho Code. GALs conduct independent factual investigations and advocate for the best interests of the child at each stage of CPA proceedings. Further, GALs are now involved in placement decisions made by the Department of Health and Welfare, pursuant to Section 16-1629(8), Idaho Code. Of the total amount requested here, \$50,000 would fund the advocate coordinator in the Fourth Judicial District, \$10,000 would go toward interpreter service in the Fourth Judicial District, and \$10,000 would go toward training in the Sixth Judicial District.

Agency Request	0.00	70,000	0	0	70,000
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Pursuant to Section 67-3506, Idaho Code, the Governor is required to transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.

Governor's Recommendation	0.00	70,000	0	0	70,000
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FY 2020 Total					
Agency Request	0.00	1,179,400	0	0	1,179,400
Governor's Recommendation	0.00	1,179,200	0	0	1,179,200

Agency Request

Change from Original App	0.00	70,200	0	0	70,200
% Change from Original App		6.3%			6.3%

Governor's Recommendation

Change from Original App	0.00	70,000	0	0	70,000
% Change from Original App		6.3%			6.3%

Judicial Council

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	130,800	118,500	130,800	130,800	130,800
Percent Change:		(9.4%)	10.4%	0.0%	0.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,800	5,200	1,800	1,800	1,800
Operating Expenditures	129,000	113,300	129,000	129,000	129,000
Total:	130,800	118,500	130,800	130,800	130,800

Division Description

The Idaho Judicial Council is empowered by statute to nominate persons to the Governor for appointment to vacancies on the Supreme Court, Court of Appeals, and District Courts and make recommendations to the Supreme Court for the removal, discipline, and retirement of judicial officers.

Judicial Council

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	130,800	130,800	0.00	130,800	130,800
FY 2020 Base	0.00	130,800	130,800	0.00	130,800	130,800
FY 2020 Total	0.00	130,800	130,800	0.00	130,800	130,800
Change from Original Appropriation	0.00	0	0	0.00	0	0
% Change from Original Appropriation		0.0%	0.0%		0.0%	0.0%

Judicial Council

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	130,800	0	0	130,800
FY 2020 Base					
Agency Request	0.00	130,800	0	0	130,800
Governor's Recommendation	0.00	130,800	0	0	130,800
FY 2020 Total					
Agency Request	0.00	130,800	0	0	130,800
Governor's Recommendation	0.00	130,800	0	0	130,800
Agency Request					
Change from Original App	0.00	0	0	0	0
% Change from Original App		0.0%			0.0%
Governor's Recommendation					
Change from Original App	0.00	0	0	0	0
% Change from Original App		0.0%			0.0%

Department of Juvenile Corrections

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	4,174,200	4,147,300	4,332,500	4,797,400	4,709,000
COPS	12,326,200	11,142,200	11,549,100	11,436,500	11,416,800
Institutions	33,118,800	30,907,400	33,063,700	33,783,100	33,761,000
Community-Based Substance Abuse	3,157,200	2,798,500	3,158,900	3,162,500	3,164,000
Total:	52,776,400	48,995,400	52,104,200	53,179,500	53,050,800
BY FUND CATEGORY					
General	41,715,600	40,069,100	41,771,200	42,735,800	42,566,600
Dedicated	8,042,100	6,775,400	7,312,300	7,583,400	7,622,400
Federal	3,018,700	2,150,900	3,020,700	2,860,300	2,861,800
Total:	52,776,400	48,995,400	52,104,200	53,179,500	53,050,800
Percent Change:		(7.2%)	6.3%	2.1%	1.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	27,334,500	27,095,000	27,497,900	28,190,900	28,061,000
Operating Expenditures	5,790,200	5,035,800	5,875,800	5,907,800	5,913,800
Capital Outlay	548,900	582,200	374,700	725,000	720,200
Trustee/Benefit	18,355,800	16,282,400	18,355,800	18,355,800	18,355,800
Lump Sum	747,000	0	0	0	0
Total:	52,776,400	48,995,400	52,104,200	53,179,500	53,050,800
Full-Time Positions (FTP)	413.00	413.00	414.00	417.00	414.00

Department Description

I. ADMINISTRATION: This program provides day-to-day administrative services and support for the Idaho Department of Juvenile Corrections (IDJC). Services include the director's office, fiscal, human resources, information technology, purchasing, inventory, facility and vehicle management, and interstate compact administration. This division also includes a Quality Improvement Services Bureau to promote evidence-based juvenile correctional practices using a performance-based standards process.

II. COPS: Community, Operations, and Program Services (COPS) addresses the needs of communities, offenders, and families throughout the continuum of care, from prevention through aftercare. District liaisons connect to a wide range of community stakeholders to ensure that the department is responsive to the needs of partners. The program distributes Juvenile Corrections Act and Cigarette/Tobacco Tax funds to counties. It coordinates POST Certified Probation/Detention and IDJC Academies, oversees delivery of religious activities in the department's three facilities, and supports pre-screening and reintegration services. The Juvenile Justice Commission and Grants Management Unit administer federal programs, and also manage state funds through the Community Incentive Project, Mental Health Program, and Detention Clinician Project. The juvenile placement manager provides oversight of all placement and population management decisions. COPS is responsible for certification of detention facilities for state and federal standards compliance, and collaborative planning through seven district councils and one tribal council.

III. INSTITUTIONS: The department operates three facilities for juvenile offenders and contracts with private residential providers for additional juvenile placements. Department programming is based on a balanced approach, and includes components of victim and community restoration, work projects, social skills development, and education. Youth presenting the highest risk to the community are placed in the Juvenile Corrections Center-St. Anthony (130 beds), the Juvenile Corrections Center-Nampa (66 beds), or the Juvenile Corrections Center-Lewiston (30 beds). The department has recently reconfigured its bed allocations and thereby reduced its total capacity by 38 beds as follows: JCC-Nampa (from 84 to 66 beds); JCC-Lewiston (from 36 to 30 beds); and JCC-St. Anthony (from 144 to 130 beds).

IV. COMMUNITY-BASED SUBSTANCE ABUSE TREATMENT SERVICES: This program provides community-based substance use disorder treatment services for juveniles with serious chemical dependency issues.

Department of Juvenile Corrections

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	414.00	41,771,200	52,104,200	414.00	41,771,200	52,104,200
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	414.00	41,771,200	52,104,200	414.00	41,771,200	52,104,200
Removal of Onetime Expenditures	0.00	(1,200)	(425,300)	0.00	(1,200)	(425,300)
Base Adjustments	0.00	0	(162,300)	0.00	0	(162,300)
FY 2020 Base	414.00	41,770,000	51,516,600	414.00	41,770,000	51,516,600
Benefit Costs	0.00	64,500	65,100	0.00	(219,000)	(221,200)
Replacement Items	0.00	26,000	720,200	0.00	26,000	720,200
Statewide Cost Allocation	0.00	49,900	49,900	0.00	49,900	49,900
Change in Employee Compensation	0.00	223,500	225,800	0.00	671,700	678,600
FY 2020 Program Maintenance	414.00	42,133,900	52,577,600	414.00	42,298,600	52,744,100
1. Edu Prgm Mgr Pay	0.00	71,900	71,900	0.00	71,900	71,900
2. IT Systems Security Analyst	1.00	76,000	76,000	0.00	0	0
3. Clinical Staff Pay	0.00	102,900	102,900	0.00	0	0
4. Instructor Pay - Phase 3 of 3	0.00	196,100	196,100	0.00	196,100	196,100
5. Records Program Manager	1.00	75,900	75,900	0.00	0	0
6. Cook	1.00	48,300	48,300	0.00	0	0
7. IJJC & District/Tribal Council Support	0.00	30,800	30,800	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	38,700
FY 2020 Total	417.00	42,735,800	53,179,500	414.00	42,566,600	53,050,800
Change from Original Appropriation	3.00	964,600	1,075,300	0.00	795,400	946,600
% Change from Original Appropriation		2.3%	2.1%		1.9%	1.8%

Department of Juvenile Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	414.00	41,771,200	7,312,300	3,020,700	52,104,200

Noncognizable Funds and Transfers

Current year expenditure adjustments include a onetime, net-zero fund adjustment that shifts 2.25 FTP from the Federal Grant Fund to the General Fund. Though the associated FTP are authorized from the Federal Grant Fund, they have historically been funded by the General Fund. This adjustment will align the appropriation with the actual use and expenditure of the funds. No new funding is requested.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Estimated Expenditures					
Agency Request	414.00	41,771,200	7,312,300	3,020,700	52,104,200
Governor's Recommendation	414.00	41,771,200	7,312,300	3,020,700	52,104,200

Removal of Onetime Expenditures

This decision unit removes onetime amounts appropriated in FY 2019 for replacement items and line items (clinician).

Agency Request	0.00	(1,200)	(424,100)	0	(425,300)
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Governor's Recommendation	0.00	(1,200)	(424,100)	0	(425,300)
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Base Adjustments

The current year adjustment above (Noncognizable Funds and Transfers) is restored before being requested as an ongoing base adjustment for FY 2020.

Also included is a base adjustment that removes \$162,300 in excess personnel cost appropriation from the Federal Grant Fund. In recent years, the department's receipt of federal grants has diminished.

Agency Request	0.00	0	0	(162,300)	(162,300)
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Governor's Recommendation	0.00	0	0	(162,300)	(162,300)
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FY 2020 Base					
Agency Request	414.00	41,770,000	6,888,200	2,858,400	51,516,600
Governor's Recommendation	414.00	41,770,000	6,888,200	2,858,400	51,516,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	64,500	200	400	65,100
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(219,000)	(1,100)	(1,100)	(221,200)
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Replacement Items

Requested replacement items include \$76,000 for carpeting; \$1,500 for a carpet shampooer; \$1,200 for a commercial sewing machine; \$144,400 for computer equipment; \$7,500 for fencing; \$1,800 for a heat seal machine; \$24,000 for HVAC equipment; \$7,600 for kitchen equipment; \$2,100 for a landscape sprayer; \$2,100 for a landscape vacuum; \$7,000 for laundry equipment; \$3,600 for a medical monitor; \$5,000 for mixing valves; \$38,700 for office furniture; \$50,000 for paint; \$25,000 for a phone system; \$2,500 for radios; \$10,000 for parking lot sealing and striping; \$28,800 for security cameras; \$169,800 for seven sedans; and \$111,600 for four vans. Of the total amount requested, \$26,000 is from the General Fund and \$694,200 is from the Juvenile Corrections Center Endowment Income Fund.

Agency Request	0.00	26,000	694,200	0	720,200
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Governor's Recommendation	0.00	26,000	694,200	0	720,200
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Department of Juvenile Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$1,300, risk management costs will increase by \$7,000, State Controller fees will increase by \$11,500, and State Treasurer fees will increase by \$700, for a net increase of \$17,900.

This request also includes \$32,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 21.3%.

Agency Request	0.00	49,900	0	0	49,900
Governor's Recommendation	0.00	49,900	0	0	49,900

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	223,500	800	1,500	225,800
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor also recommends the pay structure for state employees be moved by 2% and includes \$1,500 for that purpose.

Governor's Recommendation	0.00	671,700	2,400	4,500	678,600
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FY 2020 Program Maintenance

Agency Request	414.00	42,133,900	7,583,400	2,860,300	52,577,600
Governor's Recommendation	414.00	42,298,600	7,583,700	2,861,800	52,744,100

1. Edu Prgrm Mgr Pay

Institutions

The department requests \$71,900 in ongoing personnel costs from the General Fund to provide pay raises to its five education program managers. For FY 2018, the department received an increase of \$484,100 in ongoing personnel costs from the General Fund to provide pay raises to its instructors that correspond with those received by instructional staff in the public school setting. The department received another \$15,700 from the General Fund (combined with a 3% CEC) in FY 2019 for phase 2 of 3 of that effort. In effect, this provided the department with an appropriation to support structuring its instructors' pay progression as if they were subject to the career ladder. However, just as the career ladder does not apply to administrative staff, the department's pay progression plan does not apply to its education program managers, who are comparable to administrative staff in the public school setting. This has created a pay compression problem between instructors and education program managers. This request would fund the education program managers' pay progression as if they were subject to the career ladder with an adapted administrative multiplier of 10% for three of the five education program managers (principals), 10% for the fourth (statewide federal program manager), and 5% for the fifth (vice-principal). Currently, these five positions are paid an average of \$60,800 per year. With this proposal, they would receive an average of \$74,200 per year.

Agency Request	0.00	71,900	0	0	71,900
Governor's Recommendation	0.00	71,900	0	0	71,900

Department of Juvenile Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. IT Systems Security Analyst					Administration
<p>This request is for 1.00 FTP and \$76,000 from the General Fund to hire an IT systems security analyst to enhance the department's cybersecurity capability. Of the total amount requested, \$72,600 in ongoing personnel costs is for salary and benefits and \$3,400 in onetime capital outlay is for computer equipment and office furniture. According to the agency, the purpose of the request is to meet the demands of customers and to facilitate compliance with Executive Order No. 2017-02, which requires state agencies to, in relevant part, adopt and implement the National Institute of Standards and Technology Cybersecurity Framework, implement critical security controls, and develop employee education and training plans. To that end, the requested position would create and maintain the department's cybersecurity plan; assist human resources in monitoring cybersecurity training for new and existing employees; recommend changes to IT and cybersecurity plans; develop and maintain documents on subjects such as cybersecurity, information governance, and incident response for data breaches; monitor and document changes in both the education and administrative networks; and ensure that the department is meeting requirements to maintain its status as a certified GED administrator.</p>					
Agency Request	1.00	76,000	0	0	76,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Clinical Staff Pay					Institutions
<p>The department requests \$102,900 in ongoing personnel costs from the General Fund to provide pay raises to the department's 47 clinical staff members to address internal and external pay equity issues. The 47 staff members include four clinical supervisors, 17 clinicians, 11 licensed practical nurses, and 15 social workers. According to the agency, this request would allow it to compete for talent across the state and to ensure its clinical staff are equitably compensated in comparison to their peers at other state agencies. For example, comparable clinical supervisors at the Department of Health and Welfare earn between \$30.29 and \$31.37 per hour, whereas the clinical supervisors in the Department of Juvenile Corrections earn between \$28.29 and \$30.74 per hour. The average turnover rate for these positions has been 10.9% over the last three fiscal years. The staff that would be affected by this request earn an average of \$49,000 per year. With this request, that group would earn an average of \$50,800 per year.</p>					
Agency Request	0.00	102,900	0	0	102,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. Instructor Pay - Phase 3 of 3					Institutions
<p>This is a request for \$196,100 in ongoing personnel costs from the General Fund for phase 3 of the department's pay progression plan for its instructors. For FY 2018, the department received an ongoing increase of \$484,100 in personnel costs from the General Fund to provide pay raises to its instructors that correspond with those received by instructional staff in the public school setting. The amount received was adjusted downward from the amount originally requested to account for the 3% CEC. The department received another \$15,700 from the General Fund (combined with a 3% CEC) in FY 2019 for phase 2 of 3. While there are differences between instructional staff working for school districts and those for the state in the correctional setting, the department's methodology behind this request plots its instructors within the appropriate cohort, based on education levels, years of teaching experience, achievements, and premiums, as if they were subject to the career ladder. The agency has 46 instructor specialists and three instruction assistants. The department originally projected that the total cost of the proposal would be \$1,185,700 over three years (\$558,200 in FY 2018, \$308,400 in FY 2019, and \$319,100 in FY 2020). The department's second projection estimated that phase two would cost \$89,500 in FY 2019, and phase three would cost \$317,000 in FY 2020.</p>					
Agency Request	0.00	196,100	0	0	196,100
Governor's Recommendation	0.00	196,100	0	0	196,100

Department of Juvenile Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Records Program Manager					Administration
<p>The department requests 1.00 FTP and \$75,900 from the General Fund to hire a records program manager to develop and manage the department's records management program. Of the total amount requested, \$72,600 is in ongoing personnel costs for salary and benefits; \$1,900 is in ongoing operating expenditures for travel and training costs; and \$1,400 is in onetime capital outlay for a laptop. The department currently has a records management program that only includes emails. The goal is to expand the program to include records retention for all department records. This would require developing an information governance document and developing processes to ensure compliance with Idaho Technology Authority policies and guidelines. The position would also be responsible for, among other things, developing and providing regular trainings for new and existing employees regarding the integration of records management into their work; serving as liaison to the records center manager and Idaho state archivist; facilitating changes to the strategic plan and performance measurement report; maintaining and monitoring outcome performance measures; and ensuring that the department's records management policies and procedures comply with Idaho statutes, administrative rules, and federal regulations.</p>					
Agency Request	1.00	75,900	0	0	75,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. Cook					Institutions
<p>This is a request for 1.00 FTP and \$48,300 in ongoing personnel costs from the General Fund to hire an additional cook for the Juvenile Corrections Center-St. Anthony (JCCS). According to the agency, a recent comparison of production rates at the three juvenile corrections centers indicates that JCCS food service staff produce disproportionately more meals per labor hour (MPLH) than the other two facilities. JCCS holds 130 beds and produces between 15 and 22 MPLH with six food service staff members; JCC-Nampa (JCCN) holds 66 beds and produces between eight and 12 MPLH with five food service staff members; and JCC Lewiston (JCCCL) holds 30 beds and produces between five and 11 MPLH with four food service staff members. In addition to increased safety, the agency believes that adding an additional cook at JCCS will allow for better supervision of the juveniles that work in the kitchen, which will in turn help them with educational and vocational development, self-confidence, and socialization.</p>					
Agency Request	1.00	48,300	0	0	48,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
7. IJJC & District/Tribal Council Support					Community, Operations, and Program Services
<p>The department requests \$30,800 in ongoing operating expenditures from the General Fund to support the activities of the Idaho Juvenile Justice Commission (IJJC) and District/Tribal Councils (councils). According to the agency, the dual role of state and local entities in the juvenile justice system necessitate strong relationships, communication, and collaboration between the various stakeholders (e.g., schools, POST, probation offices, etc.). The IJJC and councils provide comprehensive planning and oversight functions for these various stakeholders, impacting community-based treatment programs, implementation of evidence-based practices, training, and citizen engagement. To that end, the funding requested here would be used to host community forums and train IJJC and council members. Currently, the department provides \$70,000 from the Federal Grant Fund to the IJJC and councils for meetings, travel, materials, and youth involvement.</p>					
Agency Request	0.00	30,800	0	0	30,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	38,700	0	38,700
FY 2020 Total					
Agency Request	417.00	42,735,800	7,583,400	2,860,300	53,179,500
Governor's Recommendation	414.00	42,566,600	7,622,400	2,861,800	53,050,800

Department of Juvenile Corrections

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	3.00	964,600	271,100	(160,400)	1,075,300
% Change from Original App	0.7%	2.3%	3.7%	(5.3%)	2.1%
Governor's Recommendation					
Change from Original App	0.00	795,400	310,100	(158,900)	946,600
% Change from Original App	0.0%	1.9%	4.2%	(5.3%)	1.8%

Idaho Legislative Budget Book

Idaho State Police

2019 Legislative Session

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Idaho State Police

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Brand Inspection	3,427,100	3,078,600	3,123,700	3,184,000	3,194,600
Police, Division of Idaho State	70,349,700	67,009,200	75,776,000	79,161,200	76,208,800
POST Academy	4,688,700	3,698,900	4,815,000	5,319,900	5,114,500
Racing Commission	650,100	395,100	427,900	481,300	480,800
Total:	79,115,600	74,181,800	84,142,600	88,146,400	84,998,700
BY FUND CATEGORY					
General	29,498,800	29,498,400	32,772,200	36,122,200	31,292,000
Dedicated	41,093,900	38,338,500	42,896,600	42,806,400	44,463,900
Federal	8,522,900	6,344,900	8,473,800	9,217,800	9,242,800
Total:	79,115,600	74,181,800	84,142,600	88,146,400	84,998,700
Percent Change:		(6.2%)	13.4%	4.8%	1.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	54,394,000	51,133,900	56,304,900	58,634,200	58,269,600
Operating Expenditures	18,275,100	16,519,300	17,592,400	20,756,100	19,880,400
Capital Outlay	3,232,200	4,292,000	7,434,000	5,944,800	4,037,400
Trustee/Benefit	3,027,200	2,236,600	2,811,300	2,811,300	2,811,300
Lump Sum	187,100	0	0	0	0
Total:	79,115,600	74,181,800	84,142,600	88,146,400	84,998,700
Full-Time Positions (FTP)	588.85	588.85	600.85	617.85	607.85

Department Description

Idaho State Police consists of four separate divisions, all reporting to the director. These divisions are Brand Inspection, the Division of Idaho State Police, POST Academy, and the Racing Commission.

Idaho State Police

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	600.85	32,772,200	84,142,600	600.85	32,772,200	84,142,600
Supplementals						
Racing Commission						
1. Hair Testing Rule	0.00	0	40,900	0.00	0	40,900
FY 2019 Total Appropriation	600.85	32,772,200	84,183,500	600.85	32,772,200	84,183,500
Noncognizable Funds and Transfers	0.00	0	1,391,100	0.00	0	1,391,100
FY 2019 Estimated Expenditures	600.85	32,772,200	85,574,600	600.85	32,772,200	85,574,600
Removal of Onetime Expenditures	0.00	(5,361,600)	(9,959,300)	0.00	(5,361,600)	(9,959,300)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	600.85	27,410,600	75,615,300	600.85	27,410,600	75,615,300
Benefit Costs	0.00	54,100	135,300	0.00	(120,200)	(299,600)
Inflationary Adjustments	0.00	600	600	0.00	600	600
Replacement Items	0.00	3,208,900	5,280,600	0.00	1,874,900	4,330,100
Statewide Cost Allocation	0.00	31,100	149,700	0.00	31,100	149,700
Annualizations	0.00	0	19,900	0.00	0	19,900
Change in Employee Compensation	0.00	192,300	444,600	0.00	577,600	1,330,100
FY 2020 Program Maintenance	600.85	30,897,600	81,646,000	600.85	29,774,600	81,146,100
Line Items						
Brand Inspection						
1. Security System Upgrade	0.00	0	4,000	0.00	0	0
Division of Idaho State Police						
1. Project Choice Expansion	0.00	0	438,200	0.00	0	438,200
2. Statewide Motor Units	11.00	2,466,100	2,466,100	5.00	1,018,900	1,018,900
3. Detective Specialists	3.00	508,000	508,000	1.00	165,400	165,400
4. Smartphones for Troopers	0.00	95,500	95,500	0.00	95,500	95,500
5. RMS Evaluation	0.00	534,100	559,400	0.00	0	559,400
6. Security System Upgrade	0.00	343,800	500,000	0.00	15,000	15,000
7. Cybersecurity Software Maintenance	0.00	100,000	100,000	0.00	0	100,000
8. Taser Assurance Plan	0.00	47,800	47,800	0.00	0	47,800
9. Resident Trooper Housing Unit	0.00	0	130,100	0.00	0	130,100
10. Forensic Scientists	2.00	98,400	98,400	1.00	43,100	43,100
11. Radio Communication Maintenance	0.00	179,500	179,500	0.00	179,500	179,500
12. PRR and Scheduling Software	0.00	36,600	36,600	0.00	0	0
13. ABC Detective Overtime	0.00	0	42,800	0.00	0	0
14. Software and Instrument Maintenance	0.00	0	11,900	0.00	0	11,900
15. WIN Membership Fees	0.00	0	112,400	0.00	0	112,400
16. ITD Interface Updates	0.00	0	232,000	0.00	0	232,000
17. BCI Tech Records Specialist	1.00	0	59,200	0.00	0	0
20. Federal Grants	0.00	0	650,500	0.00	0	650,500
POST Academy						
18. Fund Shift Due to Declining Revenue	0.00	589,500	0	0.00	589,500	589,500
19. Curriculum Expansion	0.00	225,300	225,300	0.00	0	0
31. POST Replacement Items	0.00	0	0	0.00	441,300	441,300
Racing Commission						
1. Security System Upgrade	0.00	0	2,700	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	52,900
Cash Transfers	0.00	0	0	0.00	(1,030,800)	(1,030,800)
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	617.85	36,122,200	88,146,400	607.85	31,292,000	84,998,700
Chg from FY 2019 Orig Approp.	17.00	3,350,000	4,003,800	7.00	(1,480,200)	856,100
% Chg from FY 2019 Orig Approp.	2.8%	10.2%	4.8%	1.2%	(4.5%)	1.0%

Brand Inspection

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	336,400	336,400	0	0	0
Dedicated	3,090,700	2,742,200	3,123,700	3,184,000	3,194,600
Total:	3,427,100	3,078,600	3,123,700	3,184,000	3,194,600
Percent Change:		(10.2%)	1.5%	1.9%	2.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,552,300	2,390,200	2,560,100	2,585,700	2,597,200
Operating Expenditures	737,800	681,400	395,100	420,300	419,400
Capital Outlay	137,000	7,000	168,500	178,000	178,000
Total:	3,427,100	3,078,600	3,123,700	3,184,000	3,194,600
Full-Time Positions (FTP)	37.84	37.84	37.84	37.84	37.84

Division Description

The Brand Inspection Division provides protection to the livestock industry from losses by theft and illegal slaughter.

Brand Inspection

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	37.84	0	3,123,700	37.84	0	3,123,700
Removal of Onetime Expenditures	0.00	0	(171,400)	0.00	0	(171,400)
FY 2020 Base	37.84	0	2,952,300	37.84	0	2,952,300
Benefit Costs	0.00	0	4,900	0.00	0	(22,700)
Replacement Items	0.00	0	181,600	0.00	0	181,600
Statewide Cost Allocation	0.00	0	20,500	0.00	0	20,500
Change in Employee Compensation	0.00	0	20,700	0.00	0	59,800
FY 2020 Program Maintenance	37.84	0	3,180,000	37.84	0	3,191,500
1. Security System Upgrade	0.00	0	4,000	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	3,100
FY 2020 Total	37.84	0	3,184,000	37.84	0	3,194,600
Change from Original Appropriation	0.00	0	60,300	0.00	0	70,900
% Change from Original Appropriation			1.9%			2.3%

Brand Inspection

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	37.84	0	3,123,700	0	3,123,700

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for replacement items.

Agency Request	0.00	0	(171,400)	0	(171,400)
Governor's Recommendation	0.00	0	(171,400)	0	(171,400)

FY 2020 Base					
Agency Request	37.84	0	2,952,300	0	2,952,300
Governor's Recommendation	37.84	0	2,952,300	0	2,952,300

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	4,900	0	4,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(22,700)	0	(22,700)
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Replacement Items

Requested replacement items from the Brand Board Fund include \$178,000 for five pickup trucks and \$3,600 for computer equipment.

Agency Request	0.00	0	181,600	0	181,600
Governor's Recommendation	0.00	0	181,600	0	181,600

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$1,500, risk management costs will increase by \$16,200, State Controller fees will increase by \$1,600, and State Treasurer fees will increase by \$100, for a net increase of \$19,400.

This request also includes \$1,100 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.

Agency Request	0.00	0	20,500	0	20,500
Governor's Recommendation	0.00	0	20,500	0	20,500

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	20,700	0	20,700
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$2,200 for that purpose.

Governor's Recommendation	0.00	0	59,800	0	59,800
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Brand Inspection

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	37.84	0	3,180,000	0	3,180,000
<i>Governor's Recommendation</i>	<i>37.84</i>	<i>0</i>	<i>3,191,500</i>	<i>0</i>	<i>3,191,500</i>

1. Security System Upgrade

Brand Inspection

The Brand Board requests \$4,000 in onetime operating expenditures from the Brand Board Fund to upgrade the Meridian Complex's security system. The upgrade would include the video security system, electronic gate opening systems, monitoring systems, and additional electronic storage capacity to hold up to six months of data. It would also include software and customer support of the new operating system. According to the agency, its electronic security system is outdated and replacement parts are difficult to obtain. The agency believes this adversely affects its quality of security monitoring and data gathering.

Analyst Note: The Permanent Building Fund Advisory Council (PBFAC), alterations and repairs recommendation includes \$485,000 for the Meridian Complex Security System. If approved by the Legislature in the Permanent Building Fund's budget, this line item would no longer be needed.

Agency Request	0.00	0	4,000	0	4,000
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Not recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>3,100</i>	<i>0</i>	<i>3,100</i>
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FY 2020 Total					
Agency Request	37.84	0	3,184,000	0	3,184,000
<i>Governor's Recommendation</i>	<i>37.84</i>	<i>0</i>	<i>3,194,600</i>	<i>0</i>	<i>3,194,600</i>

Agency Request

Change from Original App	0.00	0	60,300	0	60,300
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% Change from Original App	0.0%		1.9%		1.9%
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Governor's Recommendation

<i>Change from Original App</i>	<i>0.00</i>	<i>0</i>	<i>70,900</i>	<i>0</i>	<i>70,900</i>
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<i>% Change from Original App</i>	<i>0.0%</i>		<i>2.3%</i>		<i>2.3%</i>
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Division of Idaho State Police

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Director's Office	2,613,900	2,634,800	3,385,200	2,704,300	2,720,400
Executive Protection	573,600	538,500	856,500	704,200	710,100
Investigations	9,661,200	9,225,700	10,106,200	10,941,500	10,556,400
Patrol	41,204,600	39,019,900	42,357,700	45,704,400	43,725,900
Law Enforcement Programs	2,486,500	2,424,800	2,409,000	2,501,900	2,472,700
Support Services	7,748,300	6,987,200	9,350,400	9,308,600	8,750,000
Forensic Services	6,061,600	6,178,300	7,311,000	7,296,300	7,273,300
Total:	70,349,700	67,009,200	75,776,000	79,161,200	76,208,800
BY FUND CATEGORY					
General	29,162,400	29,162,000	32,772,200	34,866,100	31,292,000
Dedicated	32,921,800	31,602,500	34,787,900	35,335,400	35,931,900
Federal	8,265,500	6,244,700	8,215,900	8,959,700	8,984,900
Total:	70,349,700	67,009,200	75,776,000	79,161,200	76,208,800
Percent Change:		(4.7%)	13.1%	4.5%	0.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	49,227,800	46,439,100	51,114,100	53,405,700	53,010,200
Operating Expenditures	15,206,500	14,314,900	14,806,300	17,640,500	16,991,000
Capital Outlay	3,052,900	4,269,300	7,180,200	5,439,600	3,532,200
Trustee/Benefit	2,675,400	1,985,900	2,675,400	2,675,400	2,675,400
Lump Sum	187,100	0	0	0	0
Total:	70,349,700	67,009,200	75,776,000	79,161,200	76,208,800
Full-Time Positions (FTP)	519.34	519.34	531.34	548.34	538.34

Division Description

Director's Office: Provides administrative and policy support to the entire department. Included within this program are the director's office, legal services, human resources, financial services, and procurement.

Executive Protection: Provides protection for Idaho's Governor and First Lady. Currently, three officers are assigned to escort and protect them at all events while they are representing Idaho. It also provides protection to the Legislature during session, Supreme Court security, and officer support for Capitol mall security.

Investigations: Provides drug enforcement, internal police, and governmental investigation.

Patrol: Responsible for the protection of life and property on Idaho's highways; provision of accident investigations and assistance to the motoring public and all law enforcement agencies in Idaho; fleet management; and training.

Law Enforcement Programs: Includes the Alcohol Beverage Control function which administers the alcohol beverage laws of the state relating to licensing and compliance.

Support Services: Includes the criminal identification section which provides wanted persons and stolen property information to law enforcement in the field; maintains sex offender and other registries; and supports information systems.

Forensic Services: Assists law enforcement agencies through evidence gathering, laboratory examinations, analysis and training; performs DNA analysis; and maintains the Combined DNA Index System (CODIS) database.

Division of Idaho State Police

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	531.34	32,772,200	75,776,000	531.34	32,772,200	75,776,000
Noncognizable Funds and Transfers	0.00	0	1,406,400	0.00	0	1,406,400
FY 2019 Estimated Expenditures	531.34	32,772,200	77,182,400	531.34	32,772,200	77,182,400
Removal of Onetime Expenditures	0.00	(5,361,600)	(9,642,000)	0.00	(5,361,600)	(9,642,000)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	531.34	27,410,600	67,540,400	531.34	27,410,600	67,540,400
Benefit Costs	0.00	54,100	124,800	0.00	(120,200)	(261,300)
Inflationary Adjustments	0.00	600	600	0.00	600	600
Replacement Items	0.00	2,767,600	4,657,700	0.00	1,874,900	3,707,200
Statewide Cost Allocation	0.00	31,100	167,200	0.00	31,100	167,200
Change in Employee Compensation	0.00	192,300	402,100	0.00	577,600	1,207,900
FY 2020 Program Maintenance	531.34	30,456,300	72,892,800	531.34	29,774,600	72,362,000
1. Project Choice Expansion	0.00	0	438,200	0.00	0	438,200
2. Statewide Motor Units	11.00	2,466,100	2,466,100	5.00	1,018,900	1,018,900
3. Detective Specialists	3.00	508,000	508,000	1.00	165,400	165,400
4. Smartphones for Troopers	0.00	95,500	95,500	0.00	95,500	95,500
5. RMS Evaluation	0.00	534,100	559,400	0.00	0	559,400
6. Security System Upgrade	0.00	343,800	500,000	0.00	15,000	15,000
7. Cybersecurity Software Maintenance	0.00	100,000	100,000	0.00	0	100,000
8. Taser Assurance Plan	0.00	47,800	47,800	0.00	0	47,800
9. Resident Trooper Housing Unit	0.00	0	130,100	0.00	0	130,100
10. Forensic Scientists	2.00	98,400	98,400	1.00	43,100	43,100
11. Radio Communication Maintenance	0.00	179,500	179,500	0.00	179,500	179,500
12. PRR and Scheduling Software	0.00	36,600	36,600	0.00	0	0
13. ABC Detective Overtime	0.00	0	42,800	0.00	0	0
14. Software and Instrument Maintenance	0.00	0	11,900	0.00	0	11,900
15. WIN Membership Fees	0.00	0	112,400	0.00	0	112,400
16. ITD Interface Updates	0.00	0	232,000	0.00	0	232,000
17. BCI Tech Records Specialist	1.00	0	59,200	0.00	0	0
20. Federal Grants	0.00	0	650,500	0.00	0	650,500
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	47,100
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	548.34	34,866,100	79,161,200	538.34	31,292,000	76,208,800
Change from Original Appropriation	17.00	2,093,900	3,385,200	7.00	(1,480,200)	432,800
% Change from Original Appropriation		6.4%	4.5%		(4.5%)	0.6%

Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	531.34	32,772,200	34,787,900	8,215,900	75,776,000

Noncognizable Funds and Transfers

Current year expenditure adjustments include FTP shifts among fund sources to reflect actual use and expenditure of funds; various transfers of personnel costs among fund sources and programs due to reallocation of Project CHOICE funding; and an object transfer from operating expenditures to capital outlay to reflect the actual use and expenditure of the funds.

Additionally, the Division of Financial Management approved \$1,391,100 in federal funds due to grants awarded to the Forensic Services Program. The division is requesting ongoing funding in line item 20.

Agency Request	0.00	0	15,300	1,391,100	1,406,400
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>15,300</i>	<i>1,391,100</i>	<i>1,406,400</i>

FY 2019 Estimated Expenditures					
Agency Request	531.34	32,772,200	34,803,200	9,607,000	77,182,400
<i>Governor's Recommendation</i>	<i>531.34</i>	<i>32,772,200</i>	<i>34,803,200</i>	<i>9,607,000</i>	<i>77,182,400</i>

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for replacement items and onetime portions of line items.

Agency Request	0.00	(5,361,600)	(2,743,500)	(1,536,900)	(9,642,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(5,361,600)</i>	<i>(2,743,500)</i>	<i>(1,536,900)</i>	<i>(9,642,000)</i>

Base Adjustments

Each of the current year adjustments above (Noncognizable Funds and Transfers) are restored and, except for the object transfer, are requested as ongoing base adjustments for FY 2020.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	531.34	27,410,600	32,059,700	8,070,100	67,540,400
<i>Governor's Recommendation</i>	<i>531.34</i>	<i>27,410,600</i>	<i>32,059,700</i>	<i>8,070,100</i>	<i>67,540,400</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	54,100	62,500	8,200	124,800
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(120,200)</i>	<i>(132,800)</i>	<i>(8,300)</i>	<i>(261,300)</i>
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Inflationary Adjustments

Inflationary adjustments include \$600 in ongoing operating expenditures from the General Fund to cover the 3% contractual increase for ISP's share of the negotiated rent increase for Public Safety Communication sites located on endowment lands.

Agency Request	0.00	600	0	0	600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>600</i>	<i>0</i>	<i>0</i>	<i>600</i>

Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Replacement Items

Requested replacement items include ballistic vests; computer equipment; 50 firearms; a gas chromatography-mass spectrometry (GC-MS) testing instrument; two motorcycles; two pole cameras; 54 portable breath-testing devices; 34 sedans; servers, switches and shelves; software; seven SUVs; five trucks; and vehicle equipment and installation. Of the total amount requested, \$2,767,600 is from the General Fund; \$68,100 is from the Alcohol Beverage Control Fund; \$1,062,400 is from the Law Enforcement Fund; \$56,200 is from the Hazardous Materials/Waste Enforcement Fund; \$503,400 is from the Law Enforcement Telecommunications Fund; \$31,400 is from the Miscellaneous Revenue Fund; and \$168,600 is from the Federal Grant Fund.

Agency Request	0.00	2,767,600	1,721,500	168,600	4,657,700
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The Governor recommends a difference of \$950,500 in replacement items to not include all vehicles, ballistic vests, and various computers and equipment.

Governor's Recommendation	0.00	1,874,900	1,663,700	168,600	3,707,200
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$25,500, risk management costs will increase by \$105,300, State Controller fees will increase by \$36,000, State Treasurer fees will increase by \$500, and Audit fees will decrease by \$100, for a net increase of \$167,200.

Agency Request	0.00	31,100	126,700	9,400	167,200
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Governor's Recommendation	0.00	31,100	126,700	9,400	167,200
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	192,300	178,100	31,700	402,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$9,400 for that purpose.

Governor's Recommendation	0.00	577,600	537,300	93,000	1,207,900
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FY 2020 Program Maintenance

Agency Request	531.34	30,456,300	34,148,500	8,288,000	72,892,800
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Governor's Recommendation	531.34	29,774,600	34,254,600	8,332,800	72,362,000
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1. Project Choice Expansion

Patrol

The agency requests \$438,200 in ongoing personnel costs from the Law Enforcement (Project CHOICE) Fund to account for an increase in Project CHOICE-eligible employees and a refactoring of eligible positions. Project CHOICE is a performance-based compensation plan for commissioned officers, dispatch employees, and forensics employees that seeks to enhance pay by rewarding performance in training, certification, specialty assignments, and enhanced skills. Since 2016, eligible FTP have increased by 8% from 368 to 398. Also, ISP has requested a classification review of the sergeant through major positions, which is expected to move four positions up one pay grade respectively, impacting 74 employees.

Agency Request	0.00	0	438,200	0	438,200
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Governor's Recommendation	0.00	0	438,200	0	438,200
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Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Statewide Motor Units					Patrol
<p>This request is for 11.00 FTP and \$2,466,100 from the General Fund to hire ten troopers and one office specialist to add motor units in areas outside the Treasure Valley. Of the total amount requested, \$863,600 is in ongoing personnel costs for salary and benefits; \$198,700 is in ongoing operating expenditures for incidental costs such as repair and maintenance, employee development, and fuel costs; \$377,600 is in onetime operating expenditures for smartphones, medical exams, vehicle equipment and installation, office furniture, computer equipment and software, and law enforcement equipment; and \$1,026,200 is in onetime capital outlay for ten equipped sedans, ten equipped motorcycles, and radios. According to the agency, the request would increase its ability to promote and enforce traffic safety statewide. ISP had requested 17.00 FTP, 10 motor troopers, six resident troopers, and one sergeant for FY 2019. The Legislature funded six resident troopers and one sergeant and ISP is requesting the remaining 10.00 FTP in this line item as well as an additional FTP for an office specialist.</p>					
Agency Request	11.00	2,466,100	0	0	2,466,100
<p><i>The Governor recommends 5.00 FTP and \$1,018,900 from the General Fund with \$454,700 ongoing and \$564,200 onetime for two motorcycle trooper positions in District 5 (Pocatello), two motorcycle trooper positions, and one office specialist 2 position in District 1 (Coeur d'Alene).</i></p>					
Governor's Recommendation	5.00	1,018,900	0	0	1,018,900
3. Detective Specialists					Investigations
<p>The agency requests 3.00 FTP and \$508,000 from the General Fund to hire three detective specialists to focus primarily on pre-employment background investigations and conflict cases from local law enforcement agencies. Of the total amount requested, \$264,700 is in ongoing personnel costs for salary and benefits; \$47,500 is in ongoing operating expenditures for incidental costs such as repair and maintenance, employee development, and employee travel; \$59,400 is in onetime operating expenditures for smartphones, vehicle equipment and installation, office furniture, computer equipment and software, and law enforcement equipment; and \$136,400 is in onetime capital outlay for three equipped SUVs, computers, and radios.</p>					
Agency Request	3.00	508,000	0	0	508,000
<p><i>The Governor recommends 1.00 FTP and \$165,400 from the General Fund with \$100,100 ongoing and \$65,300 onetime for a detective specialist to assist the department with pre-employment background investigations, administrative cases, and conflict investigations.</i></p>					
Governor's Recommendation	1.00	165,400	0	0	165,400
4. Smartphones for Troopers					Patrol
<p>This request is for \$95,500 from the General Fund to purchase 144 smartphones for troopers. Of the total amount requested, \$69,100 is in ongoing operating expenditures for annual service charges; and \$26,400 is in onetime operating expenditures for the phones, protective cases, and car chargers. According to the agency, smartphones will benefit job performance, time management, customer service, public relations, and productivity. Currently, troopers are not provided cell phones and personal cell phones are being used for work-related activities.</p>					
Agency Request	0.00	95,500	0	0	95,500
Governor's Recommendation	0.00	95,500	0	0	95,500
5. RMS Evaluation					Investigations, Patrol, Law Enforcement Programs
<p>This request is for \$559,400 in onetime operating expenditures to hire a consultant to assist with the evaluation, assessment, procurement, and implementation of an updated records management system (RMS). Of the total amount requested, \$108,600 is from the General Fund in the Investigations Program; \$425,500 is from the General Fund in the Patrol Program; and \$25,300 is from the Alcohol Beverage Control Fund in Law Enforcement Programs. The RMS manages arrest information and incident reporting, computer-aided dispatch, report writing, evidence management, citation tracking and storage, investigations case management, confidential informant management, fleet management, and mandatory data reporting to the FBI.</p>					
Agency Request	0.00	534,100	25,300	0	559,400
<p><i>Recommended by the Governor from the Technology Infrastructure Stabilization Fund. Additionally, the Governor recommends that the agency request reappropriation for FY 2021.</i></p>					
Governor's Recommendation	0.00	0	559,400	0	559,400

Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
6. Security System Upgrade					Support Services
<p>This request is for \$500,000 to upgrade the Meridian Complex's security system. Of the total amount requested, \$15,000 is in ongoing operating expenditures from the General Fund for maintenance costs. The remaining amount is in onetime capital outlay from various fund sources, as follows: \$328,800 from the General Fund; \$11,800 from the Alcohol Beverage Control Fund; \$88,400 from the Idaho Law Enforcement Fund; \$4,100 from the Law Enforcement Telecommunications Fund; \$30,700 from the Miscellaneous Revenue Fund; and \$21,200 from the Federal Grant Fund. The upgrade would include the video security system, electronic gate opening systems, monitoring systems, and additional storage capacity to hold up to six months of data. It would also include software and customer support of the new operating system. According to the agency, its electronic security system is outdated and replacement parts are difficult to obtain. The agency believes this adversely affects its quality of security monitoring and data gathering.</p> <p>Analyst Note: The Permanent Building Fund Advisory Council (PBFAC) alterations and repairs recommendation included \$485,000 for the Meridian Complex Security System. If approved by the Legislature in the Permanent Building Fund's budget, only \$15,000 ongoing from the General Fund would be needed.</p>					
Agency Request	0.00	343,800	135,000	21,200	500,000
<i>The Governor recommends \$15,000 ongoing from the General Fund as this amount is not included in the request for the Permanent Building Fund.</i>					
Governor's Recommendation	0.00	15,000	0	0	15,000
7. Cybersecurity Software Maintenance					Support Services
<p>The agency requests \$100,000 in ongoing operating expenditures from the General Fund for maintenance costs associated with its cybersecurity software suite to maintain critical security controls (CSCs). According to the agency, if it is not able to maintain its current CSCs then the system could become vulnerable.</p>					
Agency Request	0.00	100,000	0	0	100,000
<i>Recommended by the Governor from the Miscellaneous Revenue Fund.</i>					
Governor's Recommendation	0.00	0	100,000	0	100,000
8. Taser Assurance Plan					Patrol
<p>The agency requests \$47,800 in ongoing operating expenditures from the General Fund to purchase maintenance plans for 175 Axon Taser Conducted Energy Devices (CEDs), which were funded and purchased in FY 2018. The Taser Assurance Plan (TAP) would provide the 175 CEDs with hardware extended warranty coverage, spare products, and 175 upgraded CED models at the end of the TAP term, which is every five years. Further, the unlimited cartridge plan (UCP) would provide three training cartridges and unlimited duty cartridges annually, as well as unlimited battery packs for all 175 CEDs. After receiving funding for the 175 CEDs, the agency entered into a contract that included the TAP and UCP plans without having first secured the funding. The agency entered this contract to save money as the option was not available when it first requested funding. According to the agency, if it does not receive the funding for the maintenance plans now, it will have to cancel the contract and lose the ability to receive cartridges and batteries as well as upgraded products at the end of the five years.</p>					
Agency Request	0.00	47,800	0	0	47,800
<i>Recommended by the Governor from the Idaho Law Enforcement Fund.</i>					
Governor's Recommendation	0.00	0	47,800	0	47,800

Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
9. Resident Trooper Housing Unit					Patrol
This request is for \$130,100 from the Idaho Law Enforcement Fund to secure a housing unit for the District 6 Island Park remote resident trooper. Of the total amount requested, \$6,900 is in ongoing operating expenditures for monthly utilities and other operating and maintenance costs; \$3,200 is in onetime operating expenditures for the purchase of a washer and dryer and the set-up of a propane tank; and \$120,000 is in onetime capital outlay for the purchase of a 1,350 square foot manufactured home. According to the agency, due to the remote location of Island Park and the lengthy emergency response time from larger towns such as Ashton or West Yellowstone, a resident trooper needs to be available in the immediate vicinity to handle law enforcement requests and to assist other federal, state, and local law enforcement agencies, if requested.					
Agency Request	0.00	0	130,100	0	130,100
Governor's Recommendation	0.00	0	130,100	0	130,100
10. Forensic Scientists					Forensic Services
This request is for 2.00 FTP and \$98,400 from the General Fund to hire two forensic scientists, with one located in Coeur d'Alene and one in Pocatello. Of the total amount requested, \$85,700 is in ongoing personnel costs for salary and benefits; \$7,600 is in ongoing operating expenditures for training and lab supplies; and \$5,100 is in onetime operating expenditures for office furniture and computer equipment. This request would cover the last six months of personnel costs for the fiscal year as the first six months will be covered by federal grants. The agency plans to request an annualization for the FY 2021 budget. According to the agency, these scientists will help address increased demand for services and achieve shorter turnaround times. The forensic lab not only services ISP, but also local and federal agencies.					
Agency Request	2.00	98,400	0	0	98,400
The Governor recommends 1.00 FTP and \$43,100.					
Governor's Recommendation	1.00	43,100	0	0	43,100
11. Radio Communication Maintenance					Patrol
The agency requests \$179,500 in operating expenditures from the General Fund to purchase three radio communication hardware and software maintenance agreements for various repeater sites and a logging recorder system. Of the total amount requested, \$134,200 is ongoing and \$45,300 is onetime. This request would provide maintenance agreements for the nine repeater sites that ISP plans to take ownership of from the Military Division and maintenance agreements for the repeater sites housed by Ada County.					
Agency Request	0.00	179,500	0	0	179,500
Governor's Recommendation	0.00	179,500	0	0	179,500
12. PRR and Scheduling Software					Patrol
This request is for \$36,600 in operating expenditures from the General Fund to purchase public records request (PRR) and scheduling software. Of the total amount requested, \$32,300 is ongoing for annual subscriptions; and \$4,300 is onetime for implementation fees. According to the agency, new PRR tracking software is needed to effectively and efficiently process and track public records requests in a professional and timely fashion, and to ensure public transparency. In addition, the agency believes new scheduling software, as opposed to relying on excel spreadsheets, is needed to improve its ability to manage personnel.					
Agency Request	0.00	36,600	0	0	36,600
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
13. ABC Detective Overtime		Law Enforcement Programs			
The agency requests \$42,800 in ongoing personnel costs from the Alcohol Beverage Control (ABC) Fund to pay overtime to ABC detectives as necessary. ABC is responsible for enforcement and regulation of over 5,000 alcohol beverage control licenses issued statewide and are called to assist with alcohol related investigations that include investigating under-age drinking at organized parties, investigating over service following a fatal or serious injury crash, and compliance operations. The division defines over service as any person who sells, gives, or dispenses any alcoholic beverage to another person who is actually, apparently, or obviously intoxicated. ABC detectives are relatively higher-paid, which depletes the personnel cost funding available. Further, ABC investigations oftentimes occur outside normal business hours.					
Agency Request	0.00	0	42,800	0	42,800
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
14. Software and Instrument Maintenance		Forensic Services			
This request is for \$11,900 in ongoing operating expenditures from the Drug and DWUI Enforcement Donation Fund for annual licensing and maintenance agreements for federally funded DNA software and instruments. Federal funds are used for the maintenance costs associated with software and instruments purchased with federal grants. The applicable federal grants only permit the purchase of maintenance and licensing for the term of the federal grant and this request would provide for annual costs following the grant end date.					
Agency Request	0.00	0	11,900	0	11,900
Governor's Recommendation	0.00	0	11,900	0	11,900
15. WIN Membership Fees		Support Services			
The agency requests \$112,400 in ongoing operating expenditures from the Miscellaneous Revenue Fund for an increase in fees for membership in the Western Identification Network (WIN), which supports ISP's automated biometric identification services (ABIS). According to the agency, WIN is planning a system upgrade to begin in January of 2019. This will increase ABIS costs to WIN, resulting in an increase in fees to all WIN member states, including Idaho.					
Agency Request	0.00	0	112,400	0	112,400
Governor's Recommendation	0.00	0	112,400	0	112,400
16. ITD Interface Updates		Support Services			
This request is for \$232,000 from the Law Enforcement Telecommunications Fund for updates to various interfaces associated with the Idaho Transportation Department's (ITD) legacy Department of Motor Vehicles (DMV) vehicle registration mainframe. Of the total amount requested, \$12,000 is in ongoing operating expenditures for maintenance costs; and \$220,000 is in onetime operating expenditures for a message switch update and an ITD vehicle registration schema update.					
Agency Request	0.00	0	232,000	0	232,000
Governor's Recommendation	0.00	0	232,000	0	232,000
17. BCI Tech Records Specialist		Support Services			
The agency requests 1.00 FTP and \$59,200 from the Miscellaneous Revenue Fund to hire a technical records specialist for the Bureau of Criminal Identification (BCI). Of the total amount requested, \$54,400 is in ongoing personnel costs for salary and benefits; and \$4,800 is in onetime operating expenditures for office furniture and computer equipment. BCI is the state repository for all Idaho criminal history record information, including arrest and court dispositions related to those arrests. According to the agency, it expects the number of expungement requests to increase by more than 100% due to passage of S1314 of 2018, which requires BCI to expunge arrest records in cases where charges are dismissed. The fiscal note states "to the extent that this legislation results in additional requests for expungement there will be state and local level costs associated with court time and prosecutor time which cannot be quantified. Such costs are expected to be minimal and within existing appropriations."					
Agency Request	1.00	0	59,200	0	59,200
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

Division of Idaho State Police

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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20. Federal Grants

Forensic Services

This request is for \$650,500 in operating expenditures, of which \$390,300 is ongoing and \$260,200 is onetime, for federal grants received by the Forensic Services Program. The agency is going to see an increase in two of the federal grants that it receives each year. Additionally, a new grant award has been received for a STOP violence against women grant which will provide a five year commitment of funding for a sexual assault nurse examiner and a sexual assault response team. Additionally, \$1,391,100 was approved by the Division of Financial Management through the noncognizable process.

Agency Request	0.00	0	0	650,500	650,500
Governor's Recommendation	0.00	0	0	650,500	650,500

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	45,500	1,600	47,100
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Budget Law Exemptions

Support Services, Forensic Services

The agency requests reappropriation authority from the Legislature for \$1,400,000 from the Miscellaneous Revenue Fund, which was appropriated in FY 2019 for the Sex Offender Registry System upgrade. According to the agency, the time required for requesting sole source approval, awarding a contract, and completing the software upgrade may extend into FY 2020.

The below language is requested per Idaho Code Section 63,2552A(3):

MISCELLANEOUS REVENUE FUND TRANSFER. There is hereby appropriated and the State Controller shall transfer in accordance with Section 63-2552A(3), Idaho Code, on July 1, 2019, or as soon thereafter as practicable, \$200,000 from the Public School Income Fund to the Idaho State Police Miscellaneous Revenue Fund for the purpose of increasing toxicology lab capacity in Forensic Services.

Analyst Note: Language for the revenue transfer is not needed in this appropriation as, if approved, it will be included in the appropriation bill for the Public Schools Educational Support Program's Division of Children's Programs.

Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Total

Agency Request	548.34	34,866,100	35,335,400	8,959,700	79,161,200
Governor's Recommendation	538.34	31,292,000	35,931,900	8,984,900	76,208,800

Agency Request					
Change from Original App	17.00	2,093,900	547,500	743,800	3,385,200
% Change from Original App	3.2%	6.4%	1.6%	9.1%	4.5%
Governor's Recommendation					
Change from Original App	7.00	(1,480,200)	1,144,000	769,000	432,800
% Change from Original App	1.3%	(4.5%)	3.3%	9.4%	0.6%

POST Academy

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	0	0	0	1,256,100	0
Dedicated	4,431,300	3,598,700	4,557,100	3,805,700	4,856,600
Federal	257,400	100,200	257,900	258,100	257,900
Total:	4,688,700	3,698,900	4,815,000	5,319,900	5,114,500
Percent Change:		(21.1%)	30.2%	10.5%	6.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,374,700	2,153,300	2,388,800	2,398,500	2,415,800
Operating Expenditures	2,165,800	1,424,000	2,235,000	2,488,300	2,265,600
Capital Outlay	42,300	15,700	85,300	327,200	327,200
Trustee/Benefit	105,900	105,900	105,900	105,900	105,900
Total:	4,688,700	3,698,900	4,815,000	5,319,900	5,114,500
Full-Time Positions (FTP)	28.67	28.67	28.67	28.67	28.67

Division Description

Peace Officers Standards and Training Academy (POST) delivers training and technical assistance to all levels of law enforcement throughout the state by providing both basic and specialized training programs for all commissioned peace officers, adult and juvenile corrections officers, and dispatchers.

POST Academy

Comparative Summary

Analyst: Otto

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	28.67	0	4,815,000	28.67	0	4,815,000
Noncognizable Funds and Transfers	0.00	0	(15,300)	0.00	0	(15,300)
FY 2019 Estimated Expenditures	28.67	0	4,799,700	28.67	0	4,799,700
Removal of Onetime Expenditures	0.00	0	(145,900)	0.00	0	(145,900)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	28.67	0	4,653,800	28.67	0	4,653,800
Benefit Costs	0.00	0	5,400	0.00	0	(15,000)
Replacement Items	0.00	441,300	441,300	0.00	0	441,300
Statewide Cost Allocation	0.00	0	(25,500)	0.00	0	(25,500)
Change in Employee Compensation	0.00	0	19,600	0.00	0	57,300
FY 2020 Program Maintenance	28.67	441,300	5,094,600	28.67	0	5,111,900
18. Fund Shift Due to Declining Revenue	0.00	589,500	0	0.00	589,500	589,500
19. Curriculum Expansion	0.00	225,300	225,300	0.00	0	0
31. POST Replacement Items	0.00	0	0	0.00	441,300	441,300
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	2,600
Cash Transfers	0.00	0	0	0.00	(1,030,800)	(1,030,800)
FY 2020 Total	28.67	1,256,100	5,319,900	28.67	0	5,114,500
Change from Original Appropriation	0.00	1,256,100	504,900	0.00	0	299,500
% Change from Original Appropriation			10.5%			6.2%

POST Academy

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	28.67	0	4,557,100	257,900	4,815,000

Noncognizable Funds and Transfers

Current year expenditure adjustments include various transfers among fund sources and programs due to reallocation of Project CHOICE funding.

Agency Request	0.00	0	(15,300)	0	(15,300)
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	(15,300)	0	(15,300)

FY 2019 Estimated Expenditures					
Agency Request	28.67	0	4,541,800	257,900	4,799,700
Governor's Recommendation	28.67	0	4,541,800	257,900	4,799,700

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for replacement items.

Agency Request	0.00	0	(145,900)	0	(145,900)
Governor's Recommendation	0.00	0	(145,900)	0	(145,900)

Base Adjustments

Ongoing base adjustments include the restoration of current year expenditure adjustments; and the reallocation of Project CHOICE funding.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Base					
Agency Request	28.67	0	4,395,900	257,900	4,653,800
Governor's Recommendation	28.67	0	4,395,900	257,900	4,653,800

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	5,400	0	5,400
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	0	(15,000)	0	(15,000)

Replacement Items

Requested replacement items include \$17,000 for audio and video equipment; \$141,000 for classroom furniture and equipment; \$45,500 for computer equipment; \$81,500 for cubicles and dividing walls; \$3,600 for office chairs; \$12,000 for three sedans; \$71,300 for a skid car frame; \$6,700 for software; \$58,400 for two SUVs; and \$4,300 for training equipment.

Agency Request	0.00	441,300	0	0	441,300
<i>Recommended by the Governor from the Peace Officers Training Fund with cash being transferred from the General Fund as a line item.</i>					
Governor's Recommendation	0.00	0	441,300	0	441,300

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$29,000, risk management costs will increase by \$2,000, State Controller fees will increase by \$1,400, and Audit fees will increase by \$100, for a net reduction of \$25,500.

Agency Request	0.00	0	(25,500)	0	(25,500)
Governor's Recommendation	0.00	0	(25,500)	0	(25,500)

POST Academy

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	19,400	200	19,600
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	57,300	0	57,300
FY 2020 Program Maintenance					
Agency Request	28.67	441,300	4,395,200	258,100	5,094,600
Governor's Recommendation	28.67	0	4,854,000	257,900	5,111,900
18. Fund Shift Due to Declining Revenue					POST
The agency requests an ongoing fund shift of 3.00 FTP and \$589,500 from the Peace Officers Training Fund to the General Fund. Of the total amount, \$203,200 is in personnel costs and \$386,300 is in operating expenditures. The fund shift would help to fund POST as the current funding through fines and fees is not enough to cover the expenses for POST. Due to not having enough cash for the amounts appropriated the division has reverted almost a quarter of its appropriation for the last two fiscal years.					
Agency Request	0.00	589,500	(589,500)	0	0
<i>The Governor recommends a onetime cash transfer of \$589,500 from the General Fund to Peace officers Training Fund.</i>					
Governor's Recommendation	0.00	589,500	0	0	589,500
19. Curriculum Expansion					POST
This request is for \$225,300 in ongoing operating expenditures from the General Fund to support patrol officer training with an updated and improved patrol academy curriculum. According to the agency, the existing basic patrol academy curriculum has not been updated in many years and a new curriculum is needed to fulfill its mission. The new curriculum would expand training from 10 to 16 weeks and increase the amount of scenario based training. The funds would be used to re-write the curriculum, along with the increased costs of having students on campus an additional six weeks.					
Agency Request	0.00	225,300	0	0	225,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
31. POST Replacement Items					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$441,300 from the General Fund for the agency requested replacement items. This General Fund recommendation will be transferred to the Peace Officers Training Fund as a cash transfer.</i>					
Governor's Recommendation	0.00	441,300	0	0	441,300
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	2,600	0	2,600
Cash Transfers					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a onetime General Fund cash transfer in the amount of \$1,030,800 which includes \$441,300 for replacement items as recommended in line item 31, and \$589,500 as recommended in line item 18.</i>					
Governor's Recommendation	0.00	(1,030,800)	0	0	(1,030,800)

POST Academy

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	28.67	1,256,100	3,805,700	258,100	5,319,900
Governor's Recommendation	28.67	0	4,856,600	257,900	5,114,500
Agency Request					
Change from Original App	0.00	1,256,100	(751,400)	200	504,900
% Change from Original App	0.0%		(16.5%)	0.1%	10.5%
Governor's Recommendation					
Change from Original App	0.00	0	299,500	0	299,500
% Change from Original App	0.0%		6.6%	0.0%	6.2%

Racing Commission

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	650,100	395,100	427,900	481,300	480,800
Percent Change:		(39.2%)	8.3%	12.5%	12.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	239,200	151,300	241,900	244,300	246,400
Operating Expenditures	165,000	99,000	156,000	207,000	204,400
Trustee/Benefit	245,900	144,800	30,000	30,000	30,000
Total:	650,100	395,100	427,900	481,300	480,800
Full-Time Positions (FTP)	3.00	3.00	3.00	3.00	3.00

Division Description

The Racing Commission maintains horse racing requirements that protect racing participants and the public from illegal actions surrounding racing operations. The commission appoints a director and a secretary to perform the year-round operations as well as state stewards, veterinarians, mutuel inspectors, and licensing clerks during the racing season to ensure the honest operation of the pari-mutuel system and compliance with the Idaho Racing Act.

Racing Commission

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	3.00	0	427,900	3.00	0	427,900
1. Hair Testing Rule	0.00	0	40,900	0.00	0	40,900
FY 2019 Total Appropriation	3.00	0	468,800	3.00	0	468,800
FY 2020 Base	3.00	0	468,800	3.00	0	468,800
Benefit Costs	0.00	0	200	0.00	0	(600)
Statewide Cost Allocation	0.00	0	(12,500)	0.00	0	(12,500)
Annualizations	0.00	0	19,900	0.00	0	19,900
Change in Employee Compensation	0.00	0	2,200	0.00	0	5,100
FY 2020 Program Maintenance	3.00	0	478,600	3.00	0	480,700
1. Security System Upgrade	0.00	0	2,700	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	100
FY 2020 Total	3.00	0	481,300	3.00	0	480,800
Change from Original Appropriation	0.00	0	53,400	0.00	0	52,900
% Change from Original Appropriation			12.5%			12.4%

Racing Commission

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	3.00	0	427,900	0	427,900

1. Hair Testing Rule

The Racing Commission requests a supplemental appropriation of \$40,900 in ongoing operating expenditures due to a proposed rule change that requires hair testing of the horses. Currently, the fee includes blood and urine testing and if this rule is changed the new fee will be \$225 and the commission estimates testing 270 samples each year for a total cost of \$60,800. The additional \$19,900 is requested as an annualization in FY 2020. This rule change would need to be approved by the legislature.

Agency Request	0.00	0	40,900	0	40,900
Governor's Recommendation	0.00	0	40,900	0	40,900

FY 2019 Total Appropriation					
Agency Request	3.00	0	468,800	0	468,800
Governor's Recommendation	3.00	0	468,800	0	468,800
FY 2020 Base					
Agency Request	3.00	0	468,800	0	468,800
Governor's Recommendation	3.00	0	468,800	0	468,800

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	200	0	200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(600)	0	(600)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$11,600, risk management costs will decrease by \$1,100, and State Controller fees will increase by \$200, for a net reduction of \$12,500.

Agency Request	0.00	0	(12,500)	0	(12,500)
Governor's Recommendation	0.00	0	(12,500)	0	(12,500)

Annualizations

This annualization request is for the additional \$19,900 in ongoing operating expenditures that coincides with the supplemental request in reference to the proposed rule change of IDAPA 11.04.03 and 11.04.11.

Agency Request	0.00	0	19,900	0	19,900
Governor's Recommendation	0.00	0	19,900	0	19,900

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	2,200	0	2,200
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	0	5,100	0	5,100
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FY 2020 Program Maintenance					
Agency Request	3.00	0	478,600	0	478,600
Governor's Recommendation	3.00	0	480,700	0	480,700

Racing Commission

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Security System Upgrade			Racing Commission		
This request is for \$2,700 in onetime operating expenditures from the State Racing Commission Fund to upgrade the Meridian Complex's security system. The upgrade would include the video security system, electronic gate opening systems, monitoring systems, and additional storage capacity to hold up to six months of data. It would also include software and customer support of the new operating system. According to the agency, its electronic security system is outdated and replacement parts are difficult to obtain. The agency believes this adversely affects its quality of security monitoring and data gathering.					
Analyst Note: The Permanent Building Fund Advisory Council (PBFAC), alterations and repairs recommendation includes \$485,000 for the Meridian Complex Security System. If approved by the Legislature in the Permanent Building Fund's budget, this line item would no longer be needed.					
Agency Request	0.00	0	2,700	0	2,700
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	100	0	100
FY 2020 Total					
Agency Request	3.00	0	481,300	0	481,300
Governor's Recommendation	3.00	0	480,800	0	480,800
Agency Request					
Change from Original App	0.00	0	53,400	0	53,400
% Change from Original App	0.0%		12.5%		12.5%
Governor's Recommendation					
Change from Original App	0.00	0	52,900	0	52,900
% Change from Original App	0.0%		12.4%		12.4%

Idaho Legislative Budget Book

Natural Resources

2019 Legislative Session

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Department of Environmental Quality

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration and Support	8,544,700	8,172,900	8,668,500	9,066,600	9,026,800
Air Quality	8,741,100	7,682,700	14,726,500	14,758,900	14,798,800
Water Quality	21,740,700	20,493,700	22,724,200	23,215,900	23,349,200
CDA Basin Commission	524,700	189,100	526,200	528,600	530,400
Waste Mgmt and Remediation	26,187,500	13,053,900	18,145,700	18,130,900	18,189,200
INL Oversight	2,161,200	1,389,400	2,169,000	2,162,200	2,169,700
Total:	67,899,900	50,981,700	66,960,100	67,863,100	68,064,100
BY FUND CATEGORY					
General	19,621,100	19,621,100	20,461,700	22,365,500	22,465,400
Dedicated	11,814,500	9,095,300	17,557,600	16,712,700	16,799,700
Federal	36,464,300	22,265,300	28,940,800	28,784,900	28,799,000
Total:	67,899,900	50,981,700	66,960,100	67,863,100	68,064,100
Percent Change:		(24.9%)	31.3%	1.3%	1.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	33,058,900	30,425,200	33,682,500	34,604,100	34,901,100
Operating Expenditures	26,542,200	12,370,800	24,725,300	25,184,900	25,156,900
Capital Outlay	646,600	580,300	560,100	525,100	457,100
Trustee/Benefit	7,652,200	7,605,400	7,992,200	7,549,000	7,549,000
Total:	67,899,900	50,981,700	66,960,100	67,863,100	68,064,100
Full-Time Positions (FTP)	382.00	382.00	386.00	389.00	389.00

Department Description

The Legislature created the Department of Environmental Quality (DEQ) in the public's interest, "to protect human health and the environment as its sole mission" (Section 39-102A, Idaho Code). The department is organized into six budgetary programs.

Administration and Support Services develops policies, legislation, and rules for permitting and regulatory programs; promotes public understanding of environmental issues and solicits public input; assesses program effectiveness in improving water and air quality; and services DEQ internal support needs.

The Air Quality Program addresses compliance with federal and state health-based air quality standards by monitoring air quality and collecting data; developing and issuing permits; and coordinating air quality improvement efforts made by communities, citizen groups, businesses, industries, and governmental agencies.

The Water Quality Program develops strategies to prevent, protect, and remediate areas from pollution so as to maintain or improve water quality. The program protects human health and biological integrity through watershed, drinking water, ground water, waste water, and grant and loan activities.

The Coeur d'Alene Basin Project Commission (Section 39-8104, Idaho Code) coordinates natural resource restoration to address heavy metal contamination caused from upstream mining operations.

Waste Management and Remediation is responsible for ensuring that solid wastes are managed and disposed of in a manner protective of human health and the environment. The program responds to existing releases of hazardous substances and works with active mines to ensure that best management practices are followed.

The primary responsibility of the Idaho National Laboratory (INL) Oversight Program is to independently monitor INL operations and document transportation of radiological materials along transportation corridors. The objective is to protect Idaho's land, air, water, wildlife, and public health from nuclear releases.

Department of Environmental Quality

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	386.00	20,461,700	66,960,100	386.00	20,461,700	66,960,100
Reappropriation	0.00	0	250,900	0.00	0	250,900
FY 2019 Total Appropriation	386.00	20,461,700	67,211,000	386.00	20,461,700	67,211,000
Removal of Onetime Expenditures	0.00	(437,800)	(1,326,600)	0.00	(437,800)	(1,326,600)
FY 2020 Base	386.00	20,023,900	65,884,400	386.00	20,023,900	65,884,400
Benefit Costs	0.00	56,500	123,600	0.00	(69,600)	(154,200)
Replacement Items	0.00	440,100	605,300	0.00	310,700	475,900
Statewide Cost Allocation	0.00	206,600	240,700	0.00	206,600	240,700
Change in Employee Compensation	0.00	133,600	292,900	0.00	472,900	854,300
FY 2020 Program Maintenance	386.00	20,860,700	67,146,900	386.00	20,944,500	67,301,100
1. IPDES Enhancements	3.00	300,000	756,700	3.00	303,300	757,300
2. Triumph Mine Remediation	0.00	0	1,500,000	0.00	0	1,500,000
3. BURP & LMP Fund Shift	0.00	1,037,600	(107,700)	0.00	1,050,400	(94,900)
4. Environmental Remediation Match	0.00	0	(100,000)	0.00	0	(100,000)
5. Water Quality Monitoring - Arsenic	0.00	167,200	167,200	0.00	167,200	167,200
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	33,400
Cash Transfers	0.00	0	(1,500,000)	0.00	0	(1,500,000)
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	389.00	22,365,500	67,863,100	389.00	22,465,400	68,064,100
Change from Original Appropriation	3.00	1,903,800	903,000	3.00	2,003,700	1,104,000
% Change from Original Appropriation		9.3%	1.3%		9.8%	1.6%

Department of Environmental Quality

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	386.00	20,461,700	17,557,600	28,940,800	66,960,100

Reappropriation

The department was authorized through S1360 of 2018 to reappropriate and carryover its unencumbered and unexpended General Fund appropriation balance for Agricultural Best Management Practices from FY 2018 into FY 2019. Carryover required legislative approval, and is removed as a onetime expenditure before calculating the next year's base. While the funding was originally appropriated from the General Fund, it was transferred to the department's dedicated fund to be expended in FY 2018. This line item shows the funding as part of the dedicated fund for tracking purposes and for reconciling total statewide General Fund expenditures, although the General Fund is still the source of funding.

Agency Request	0.00	0	250,900	0	250,900
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>250,900</i>	<i>0</i>	<i>250,900</i>

FY 2019 Total Appropriation					
Agency Request	386.00	20,461,700	17,808,500	28,940,800	67,211,000
<i>Governor's Recommendation</i>	<i>386.00</i>	<i>20,461,700</i>	<i>17,808,500</i>	<i>28,940,800</i>	<i>67,211,000</i>

Removal of Onetime Expenditures

This adjustment removes amounts for replacement items, legislative carryover, and line items funded on a onetime basis in FY 2019.

Agency Request	0.00	(437,800)	(591,500)	(297,300)	(1,326,600)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(437,800)</i>	<i>(591,500)</i>	<i>(297,300)</i>	<i>(1,326,600)</i>

FY 2020 Base					
Agency Request	386.00	20,023,900	17,217,000	28,643,500	65,884,400
<i>Governor's Recommendation</i>	<i>386.00</i>	<i>20,023,900</i>	<i>17,217,000</i>	<i>28,643,500</i>	<i>65,884,400</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	56,500	23,400	43,700	123,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(69,600)</i>	<i>(30,300)</i>	<i>(54,300)</i>	<i>(154,200)</i>
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Replacement Items

Replacement items include \$108,600 for 104 computers, \$163,400 for network equipment and software, \$110,600 for three light trucks, \$50,100 for a boat with trailer, and \$172,600 to replace various specific use scientific instruments, for a total of \$605,300. [Onetime]

Agency Request	0.00	440,100	16,800	148,400	605,300
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The Governor does not recommend Windows Server licenses (\$29,000), 26 computers (\$21,800), Cisco LAN switches (\$22,000), replacement backup tapes at the State Controller's Office (\$40,000), and two multi-parameter water sensors (\$16,600).

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>310,700</i>	<i>16,800</i>	<i>148,400</i>	<i>475,900</i>
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Department of Environmental Quality

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$167,300, risk management costs will increase by \$39,100, State Controller fees will increase by \$20,300, and State Treasurer fees will increase by \$400, for a net increase of \$227,100.

This request also includes \$13,600 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.

Agency Request	0.00	206,600	8,400	25,700	240,700
Governor's Recommendation	0.00	206,600	8,400	25,700	240,700

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	133,600	55,200	104,100	292,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$1,100 for that purpose. The Governor also recommends a General Fund shift of \$82,700 for increases in employee compensation that cannot be covered by federal grants.

Governor's Recommendation	0.00	472,900	161,900	219,500	854,300
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FY 2020 Program Maintenance

Agency Request	386.00	20,860,700	17,320,800	28,965,400	67,146,900
Governor's Recommendation	386.00	20,944,500	17,373,800	28,982,800	67,301,100

Department of Environmental Quality

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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1. IPDES Enhancements

Administration and Support Services, Water Quality

The department requests 3.00 FTP, \$300,000 from the General Fund, \$537,200 from license fees, and a reduction of \$80,500 in federal funds, for a total of \$756,700 to continue development for the Idaho Pollution Discharge Elimination System (IPDES). Receipts of permit and license fees are anticipated to begin being deposited into the dedicated fund beginning in October 2019. In the Administration and Support Program, this request is comprised of a fund shift of \$80,500 from federal funds to the General Fund and an increase of \$278,000 in license fees. In the Water Quality Program, this line item adds 3.00 FTP and \$478,700, of which \$219,500 is onetime from the General Fund. Of this onetime funding, \$200,000 in operating expenditures would provide for contracted database work through a state contract, and \$19,500 in capital outlay would purchase office and monitoring equipment. The three new staff would be inspectors, based in the Boise regional area to review and determine facility compliance. An inspector supervisor would be hired at a pay grade of N with an hourly rate of \$32.00, and the other two inspectors would be hired at a pay grade of M with an hourly rate of \$26.82.

H406 of 2014 directed DEQ to develop a National Pollutant Discharge Elimination System (NPDES) primacy delegation application. On June 5, 2018, Idaho became the 47th state to receive primacy to implement the NPDES from the U.S. Environmental Protection Agency (EPA). One of the requirements of assuming primacy is that the state must fully implement the program, with the expectation of the program requiring 29 positions and a \$3.1 million budget at full build out. Last year, the Legislature approved 4.00 FTP to bring the total staff allocation to 23.00 for FY 2019 (counting the 3.00 positions funded in FY 2015, the 3.00 funded in FY 2016, the 4.00 funded in FY 2017, and the 9.00 funded in FY 2018). [\$219,500 Onetime]

Agency Request	3.00	300,000	537,200	(80,500)	756,700
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Recommended by the Governor with changes for benefits and compensation. The Governor also recommends shifting 1.00 FTP from federal funds to the General Fund, for a net of zero.

Governor's Recommendation	3.00	303,300	537,800	(83,800)	757,300
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2. Triumph Mine Remediation

Waste Management and Remediation

The department requests a onetime transfer of \$1.5 million from the Water Pollution Control Fund to the Environmental Remediation (Triumph Mine) Fund to provide for remediation at the Triumph Mine. The department annually requests a transfer of \$1.5 million to build a balance in the Environmental Remediation (Basin) Fund to act as the state's 10% match to Superfund cleanup projects in the Coeur d'Alene Basin, and to pay the majority of the operating costs to maintain those projects. For FY 2020, however, the department requests temporarily delaying the Basin Fund transfer and instead utilizing this funding for the Triumph Mine. In order to avoid a Superfund site declaration in the Wood River Valley, the U.S. Environmental Protection Agency (EPA) signed a memorandum of understanding in 1994 with the Idaho Department of Lands (IDL) and the Idaho Department of Environmental Quality (DEQ) to remove contaminants, maintain operations, and inspect the property. The original remediation actions began in 1998 and finished in 2004, including removing contaminated soil and tailings, installation of a plug 1,175 feet inside the mine to prevent discharge of mine-contaminated water, piping contaminated water to settling ponds, and installing a second plug 235 feet inside the mine. After the mine owner (Asarco Mining Company) filed for bankruptcy in 2005, the remediation and continued inspections of the mine fell directly to IDL and DEQ. An inspection on June 12, 2018 found a collapsed tunnel wall 135 feet from the entrance, causing mine contaminated water to pool, and creating the potential for contaminants to flow approximately 500 feet to the East Fork of the Big Wood River. The Idaho Conservation League (ICL) had filed a notice of intent to sue, expressing ICL's view that both DEQ and IDL would require a National Pollutant Discharge Elimination System (NPDES) permit (as required by Section 301 of the Clean Water Act) due to the potential for contaminant discharge into the river.

Of the original \$1,675,000 paid to DEQ by Asarco, approximately \$270,000 remains, which the department argues would not be enough to cover the additional remediation actions, five year reviews, and long term maintenance of the mine. This funding, if approved, would provide for the total estimated ten year costs including: remediation in the first year (\$185,000); ongoing operation and maintenance (\$615,500); reviews every five years (\$35,000); and a contingency of \$660,000 in the event additional needs develop. [Onetime]

Agency Request	0.00	0	1,500,000	0	1,500,000
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Governor's Recommendation	0.00	0	1,500,000	0	1,500,000
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Department of Environmental Quality

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. BURP & LMP Fund Shift					Water Quality

The department requests \$1,037,600 from the General Fund to shift costs associated with the Beneficial Use Reconnaissance Program (BURP) and the Coeur d'Alene Lake Management Plan (LMP) off of the Water Pollution Control Fund (WPCF). The department forecasts that with an additional \$1.8 million in federal match requirements beginning in FY 2019, the fund balance will not be able to sustain the programs as currently allocated. The WPCF annually receives \$4.8 million from state sales tax, which is its primary source of revenue. This fund's main use is a 20% match to federal capitalization grants through State Revolving Fund (SRF) Programs such as the Drinking Water SRF (\$2.3 million) and the Clean Water SRF (\$1.6 million). It also currently provides for the Bunker Hill Remediation match (\$1.5 million), \$200,000 appropriated in FY 2019 for ongoing water quality monitoring, and both BURP and LMP (\$1.2 million), for a total obligation of \$6.8 million. Due to reversions and fund balances, the WPCF has been able to sustain expenditures in excess of revenues, however the FY 2020 beginning balance in the account is estimated to shrink to \$600,000 compared to \$2.4 million in FY 2019. The recent federal budget authorized by Congress included an additional \$4.4 billion nationwide over the next three years for SRF programs, increasing funding available to Idaho provided the additional match requirements are met. This request also includes a reduction of \$1,145,300 in the WPCF for a net decrease of \$107,700 for all funds.

Pursuant to Section 39-3630, Idaho Code, the WPCF is continuously appropriated to provide matching funds for federal drinking water and clean water capitalization grants, such as the SRF programs for drinking water and wastewater. In the past, language has been included in the department's appropriation bill to allow for the WPCF to be used outside of Section 39-3630, Idaho Code, as the General Fund was negatively impacted during the Great Recession. The WPCF was placed on budget for three uses: BURP (since FY 2010); the LMP (since FY 2009); and for transfers to the Environmental Remediation Fund for remediation projects in the Coeur d'Alene Basin (since FY 2005). BURP was initially funded through the General Fund in 1995, but was defunded for two years beginning in 2009, with onetime moneys provided in FY 2012, and was eventually fully funded from fund surpluses in the WPCF in FY 2013. This program provides the department with baseline data on water quality throughout Idaho, and is the primary data set used to compile federal reports showing the impacts of water quality projects. Each year the department's permanent BURP staff (2.56 FTP) oversee 21 temporary employees who are hired during the summer to collect aquatic insects, conduct fish surveys, measure water chemistry, and document habitat conditions in streams, rivers, and lakes across the state. The LMP was originally requested from the General Fund in FY 2010 as an alternative to managing Coeur d'Alene Lake as part of the Basin Superfund site, however, due to the recession, was also put on the WPCF. As the WPCF is continuously appropriated for use as a match to federal grants, appropriation removed in this line item would not affect the capacity for the department to carry out SRF projects and loans. [\$1,700 Onetime]

Agency Request	0.00	1,037,600	(1,145,300)	0	(107,700)
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Recommended by the Governor with changes for benefits and compensation. The Governor also recommends shifting 4.50 FTP from the Water Pollution Control Fund to the General Fund, for a net change of zero.

Governor's Recommendation	0.00	1,050,400	(1,145,300)	0	(94,900)
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Department of Environmental Quality

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Environmental Remediation Match		Waste Management and Remediation			
This request is in two parts: 1) a reduction of \$100,000 in the Waste Remediation Program from federal funds; and 2) a shift of \$100,000 from operating expenditures to personnel costs within the Environmental Remediation (Basin) Fund. This request will be used to fund staff salaries working on match eligible projects. As federal funding for this work continues to decrease, using money from the Environmental Remediation (Basin) Fund for staff time will help Idaho meet its match obligations and will ensure that the department maintains a local presence in Kellogg. The net impact is a reduction of \$100,000 in federal funds.					
The state of Idaho is responsible for paying the 10% match requirement for project costs, and the vast majority of operation and maintenance (OM) costs for the Coeur d'Alene Basin (Operable Unit 3). Operable Unit 3 includes areas contaminated from mining in the Coeur d'Alene Basin that are outside of the Bunker Hill "Box," which is the 21-square-mile area surrounding the former smelter complex that was located in Kellogg. Operable Unit 3 consists primarily of the floodplain and river corridor of the Coeur d'Alene River, Lake Coeur d'Alene, the Spokane River, and those areas where mine wastes have come to be located because of flooding transport and deposition, their use for road building, or use for fill and construction of residential or commercial properties. The match requirement for Operable Unit 3 is estimated to be \$9.5 million. The department has already funded remedial projects and personnel to meet the match obligations in the amount of \$3.2 million. That leaves a remainder of just over \$6.3 million dollars in match requirements. The Environmental Remediation (Basin) Fund was created in FY 2006 to meet state match and OM obligations for Operable Unit 3, and is funded by an annual transfer of \$1.5 million from the Water Pollution Control Fund. The estimated outstanding obligation for OM into perpetuity is estimated at over \$60 million in current dollars.					
Agency Request	0.00	0	0	(100,000)	(100,000)
Recommended by the Governor with changes for benefits and compensation. The Governor also recommends shifting 1.00 FTP from federal funds to the Environmental Remediation (Box) Fund, for a net change of zero.					
Governor's Recommendation	0.00	0	0	(100,000)	(100,000)
5. Water Quality Monitoring - Arsenic		Water Quality			
The department requests \$167,200 ongoing from the General Fund for at least three years to provide testing for naturally occurring background levels of arsenic. In 2010, Idaho adopted the 10 microgram per liter numeric criteria for inorganic arsenic in water quality standards, and this funding would provide background testing to provide a benchmark of what is naturally occurring and what is human caused in a given waterway. Arsenic is a common element in the earth's crust, and is generally released in Idaho through geothermal activity and weathering of volcanic rocks and soils into waterways. The U.S. Environmental Protection Agency (EPA) establishes safe arsenic criteria for fish-only consumption, and fish and water combined consumption under the Safe Drinking Water Act. A statewide assessment of 34 major rivers was conducted in 2006 and 2008, with only two rivers passing the fish-only criteria, and no rivers passing the fish and water combined consumption levels set by the EPA.					
Since the ambient water quality criteria established nationally are below natural background concentrations in Idaho, the department would complete 40 samples of both water and fish natural levels to provide a benchmark on natural levels. Not having these benchmarks established could result in waterways being targeted for Total Maximum Daily Loads (TMDL) projects despite having no proven human contributions of arsenic in the water. Further, dischargers regulated under the Clean Water Act may be required to remove more arsenic from waterways than they are discharging. This ongoing funding is anticipated to last for three years to provide both statewide probabilistic monitoring of water and fish combined samples, and targeted watershed monitoring programs. Funding for all three years is expected to total \$501,600, with the anticipation of removing the funding after three years. Of this request, \$9,200 is in personnel costs, and would provide for two temporary positions to carry out testing during the summer. The remainder of this request would provide for travel, per diem, contracted laboratory expenses, and sampling equipment. An existing full-time water quality analyst in the department would be reassigned to support these temporary positions.					
Agency Request	0.00	167,200	0	0	167,200
Governor's Recommendation	0.00	167,200	0	0	167,200

Department of Environmental Quality

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	33,400	0	33,400

Cash Transfers

Waste Management and Remediation

The following language reflects the cash transfers as requested. If approved, the language below will be included in the appropriation bill.

CASH TRANSFER. There is hereby appropriated to the Department of Environmental Quality and the State Controller shall transfer \$1,500,000 from the Water Pollution Control Fund to the Environmental Remediation (Basin) Fund, through installments or as practicable for the period July 1, 2019, through June 30, 2020 for Triumph Mine remediation.

Agency Request	0.00	0	(1,500,000)	0	(1,500,000)
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	(1,500,000)	0	(1,500,000)

Budget Law Exemptions

Water Quality, Waste Management and Remediation

The department requests the following language be included in its FY 2020 appropriation bill:

REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Environmental Quality any unexpended and unencumbered balances appropriated to the Department of Environmental Quality from the General Fund for Agricultural Best Management Practices for fiscal year 2019, in an amount not to exceed \$500,000, to be used for nonrecurring expenditures related to Agricultural Best Management Practices for the period July 1, 2019, through June 30, 2020.

REMEDIATION PROJECT REPORTING REQUIREMENTS. Moneys deposited into the Environmental Remediation (Basin) Fund are to be used for remediation of the Coeur d'Alene Basin in accordance with the Superfund contract with the Environmental Protection Agency. The Department of Environmental Quality shall file an annual report with the Governor, the Legislature, and the Coeur d'Alene Basin Environmental Improvement Project Commission on the remediation progress and the expenditures involved.

USES OF THE WATER POLLUTION CONTROL FUND. The appropriation of moneys from the Water Pollution Control Fund in this act specifically supersedes the provisions of Section 39-3630, Idaho Code.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Total					
Agency Request	389.00	22,365,500	16,712,700	28,784,900	67,863,100
Governor's Recommendation	389.00	22,465,400	16,799,700	28,799,000	68,064,100
Agency Request					
Change from Original App	3.00	1,903,800	(844,900)	(155,900)	903,000
% Change from Original App	0.8%	9.3%	(4.8%)	(0.5%)	1.3%
<i>Governor's Recommendation</i>					
Change from Original App	3.00	2,003,700	(757,900)	(141,800)	1,104,000
% Change from Original App	0.8%	9.8%	(4.3%)	(0.5%)	1.6%

Department of Fish and Game

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	17,711,100	17,137,400	18,717,700	20,875,300	20,997,200
Enforcement	12,144,100	11,752,300	12,410,200	12,649,900	12,735,500
Fisheries	40,346,400	37,917,300	42,263,800	46,355,200	46,436,100
Wildlife	26,061,100	24,421,300	26,358,500	28,761,000	28,831,700
Communications	5,232,600	5,293,900	5,118,500	5,341,900	5,361,000
Engineering	1,062,800	695,800	1,056,100	0	0
Wildlife Mitigation & Habitat Cons	5,527,000	4,464,800	6,779,500	12,697,500	12,711,600
Total:	108,085,100	101,682,800	112,704,300	126,680,800	127,073,100
BY FUND CATEGORY					
Dedicated	59,646,200	55,954,200	61,298,500	67,171,300	67,414,100
Federal	48,438,900	45,728,600	51,405,800	59,509,500	59,659,000
Total:	108,085,100	101,682,800	112,704,300	126,680,800	127,073,100
Percent Change:		(5.9%)	10.8%	12.4%	12.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	57,058,200	51,532,300	57,440,300	58,000,600	58,340,700
Operating Expenditures	43,605,900	37,439,800	47,194,100	59,926,000	59,978,200
Capital Outlay	6,146,200	11,436,200	6,795,100	7,479,400	7,479,400
Trustee/Benefit	1,274,800	1,274,500	1,274,800	1,274,800	1,274,800
Total:	108,085,100	101,682,800	112,704,300	126,680,800	127,073,100
Full-Time Positions (FTP)	565.00	565.00	569.00	569.00	569.00

Department Description

In 1899, the fifth Idaho Legislature established the Fish and Game Department with a state game warden in charge and deputy wardens in each county who were paid half of each fine for which they could get a conviction. The total department budget was \$1,500. In 1938, Idaho's first voter initiative passed which created the Idaho Fish and Game Commission. The seven-member commission appoints a director, holds public hearings, establishes regulations and management controls on fish and wildlife, and approves departmental budgets for submission to the Legislature. The department is organized into seven major programs and funded primarily by licenses, fees, and federal fund sources. The following mission, vision, and goals are from the department's strategic plan.

Department's Mission (Section 36-103, Idaho Code): All wildlife, including all wild animals, wild birds and fish, within the state of Idaho, is hereby declared to be the property of the state of Idaho. It shall be preserved, protected, perpetuated, and managed. It shall only be captured or taken at such times or places, under such conditions, or by such means, or in such manner, as will preserve, protect, and perpetuate such wildlife, and provide for the citizens of this state and, as by law permitted to others, continued supplies of such wildlife for hunting, fishing, and trapping.

Department's Vision: The Idaho Department of Fish and Game shall work with the citizens of Idaho in providing abundant, diverse fish and wildlife, and ensuring a rich outdoor heritage for all generations.

Primary Goals: 1) Sustain Idaho's fish and wildlife and the habitats upon which they depend; 2) Meet the demand for fish and wildlife recreation; 3) Improve public understanding of, and involvement in, fish and wildlife management; 4) Enhance the capability of the department to manage fish and wildlife and serve the public.

HJR2 of 2012 amended the Constitution of the state of Idaho to preserve the rights of the people of Idaho to hunt, fish, and trap.

Department of Fish and Game

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	569.00	0	112,704,300	569.00	0	112,704,300
1. Endangered Species Habitat Projects	0.00	0	1,825,100	0.00	0	1,825,100
FY 2019 Total Appropriation	569.00	0	114,529,400	569.00	0	114,529,400
Removal of Onetime Expenditures	0.00	0	(9,240,200)	0.00	0	(9,240,200)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	569.00	0	105,289,200	569.00	0	105,289,200
Benefit Costs	0.00	0	87,100	0.00	0	(319,200)
Replacement Items	0.00	0	5,695,400	0.00	0	5,695,400
Statewide Cost Allocation	0.00	0	61,200	0.00	0	61,200
Change in Employee Compensation	0.00	0	488,700	0.00	0	1,235,100
FY 2020 Program Maintenance	569.00	0	111,621,600	569.00	0	111,961,700
1. Endangered Species Habitat Projects	0.00	0	2,338,100	0.00	0	2,338,100
2. Albeni Falls Mitigation Project	0.00	0	5,940,400	0.00	0	5,940,400
3. New Headquarters Lease Payments	0.00	0	500,000	0.00	0	500,000
4. Fish Screening and Angler Access	0.00	0	1,195,000	0.00	0	1,195,000
5. Hagerman Hatchery Biosecurity	0.00	0	1,109,000	0.00	0	1,109,000
6. Hatchery Trout Production Increases	0.00	0	991,700	0.00	0	991,700
7. Genetic Lab Capacity Increase	0.00	0	200,000	0.00	0	200,000
8. Hunter Survey and Research	0.00	0	309,700	0.00	0	309,700
9. Fort Boise Water Control Structure	0.00	0	1,270,000	0.00	0	1,270,000
10. North Idaho Mining Restoration	0.00	0	550,000	0.00	0	550,000
11. Mule Deer Habitat Initiatives	0.00	0	100,000	0.00	0	100,000
12. Black Canyon Dam Mitigation Phase 2	0.00	0	120,000	0.00	0	120,000
13. Payette River WMA Shop	0.00	0	350,000	0.00	0	350,000
14. Payment Card Industry Compliance	0.00	0	50,000	0.00	0	50,000
15. WMA Asbestos Remediation	0.00	0	35,300	0.00	0	35,300
16. Eliminate Engineering Program	0.00	0	0	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	52,200
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	569.00	0	126,680,800	569.00	0	127,073,100
Change from Original Appropriation	0.00	0	13,976,500	0.00	0	14,368,800
% Change from Original Appropriation			12.4%			12.7%

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	569.00	0	61,298,500	51,405,800	112,704,300

1. Endangered Species Habitat Projects

Fisheries

The department requests a onetime supplemental appropriation of \$1,825,100 in operating expenditures to address time-sensitive habitat improvement projects for salmon and steelhead listed under the Endangered Species Act (ESA). Funding is from the National Oceanic Atmospheric Administration's (NOAA) Pacific Coastal Salmon Recovery Fund (PCSRF) and the Bonneville Power Administration (BPA) Fish and Wildlife Program administered by the Office of Species Conservation. The habitat improvement projects are currently underway and located in the Lemhi, Pahsimeroi, North Fork Salmon, and Potlatch river drainages. These voluntary projects are the culmination of years of planning and coordination with local landowners who ranch or farm in these drainages. Due to these rivers containing ESA listed fish, the allowable work window is very short beginning mid-July to the end of August. The department claims that this line item is an emergency due to the short time period for work, and the risk to relationships made with local stakeholders should projects not be completed as promised. Work that could be postponed to FY 2020 has been removed from this request and rescheduled. [Onetime]

Agency Request	0.00	0	1,825,100	0	1,825,100
Governor's Recommendation	0.00	0	1,825,100	0	1,825,100

FY 2019 Total Appropriation					
Agency Request	569.00	0	63,123,600	51,405,800	114,529,400
Governor's Recommendation	569.00	0	63,123,600	51,405,800	114,529,400

Removal of Onetime Expenditures

This adjustment removes funding provided for onetime replacement items and onetime line items such as fish screening, weir reconstruction, and fishing access. Lastly, it removes the onetime supplemental requests for habitat improvement projects for salmon and steelhead.

Agency Request	0.00	0	(7,451,700)	(1,788,500)	(9,240,200)
Governor's Recommendation	0.00	0	(7,451,700)	(1,788,500)	(9,240,200)

Base Adjustments

The following is a series of adjustments requested to realign the base budget. First, in the Administration Program there is a shift of 1.00 FTP and \$52,100 in personnel costs from license funds to federal funds to adjust a shipping and receiving clerk from partial to fully funded on federal moneys. Next, the Fisheries Program realigns 0.35 FTP and \$45,200 in personnel funding from federal to license funds as federal grants for a staff biologist decreases. Third, the Communications Program shifts 1.38 FTP and \$108,100 to dedicated license fees from both federal funds and the Fish and Game Set Aside Fund as marketing functions moved from the Director's office (the Administration Budgeted Program). A shift of \$70,000 out of personnel costs and into operating expenditures occurred in the Fisheries Program to fund professional services. Finally, CEC money is shifted to account for the difference between flat percentage increases as appropriated and actual compa-ratio performance increases. These adjustments all net to zero, with a total of \$194,200 shifting from federal to dedicated dollars.

Agency Request	0.00	0	194,200	(194,200)	0
Governor's Recommendation	0.00	0	194,200	(194,200)	0

FY 2020 Base					
Agency Request	569.00	0	55,866,100	49,423,100	105,289,200
Governor's Recommendation	569.00	0	55,866,100	49,423,100	105,289,200

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	0	50,400	36,700	87,100
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	0	(187,900)	(131,300)	(319,200)
Replacement Items					
This request includes: \$154,200 for property improvements; \$444,900 for computers; \$281,400 for network and server equipment; \$350,000 to replace housing at the Tex Creek Wildlife Management Area; \$3,390,400 for fleet replacement; \$120,000 for a dump truck; \$10,000 to replace a plotter; \$104,900 for field equipment; and \$839,600 for motorized equipment, for a total of \$5,695,400.					
Agency Request	0.00	0	5,340,800	354,600	5,695,400
Governor's Recommendation	0.00	0	5,340,800	354,600	5,695,400
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$8,400, risk management costs will increase by \$50,900, State Controller fees will increase by \$19,200, and State Treasurer fees will decrease by \$500, for a net increase of \$61,200.					
Agency Request	0.00	0	40,100	21,100	61,200
Governor's Recommendation	0.00	0	40,100	21,100	61,200
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	277,500	211,200	488,700
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$43,700 for that purpose.</i>					
Governor's Recommendation	0.00	0	727,300	507,800	1,235,100
FY 2020 Program Maintenance					
Agency Request	569.00	0	61,574,900	50,046,700	111,621,600
Governor's Recommendation	569.00	0	61,786,400	50,175,300	111,961,700
1. Endangered Species Habitat Projects					
Fisheries					
The department requests \$700,000 onetime and \$1,638,100 in ongoing operating expenditures to address habitat improvement projects for salmon and steelhead listed under the Endangered Species Act (ESA). The onetime funds are from private sources such as Avista, PacifiCorp, and mining interests. These onetime funds will be used in the Pend Oreille, Bear River, and Blackfoot River drainages.					
Funding for the ongoing increase is from the National Oceanic Atmospheric Administration's (NOAA) Pacific Coastal Salmon Recovery Fund (PCSRF) and the Bonneville Power Administration (BPA) Fish and Wildlife Program administered by the Office of Species Conservation. The habitat improvement projects are located in the Lemhi, Pahsimeroi, North Fork Salmon, and Potlatch river drainages, some of which are multi-year projects currently contracted and underway. These voluntary projects are the culmination of years of planning and coordination with local landowners who ranch or farm in these drainages. Due to these rivers containing ESA listed fish, the allowable work window is very short, beginning mid-July to the end of August. [\$700,000 Onetime]					
Agency Request	0.00	0	2,338,100	0	2,338,100
Governor's Recommendation	0.00	0	2,338,100	0	2,338,100

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Albeni Falls Mitigation Project					
Wildlife Mitigation and Habitat Conservation					
<p>The department requests \$5,940,400 in onetime federal funds to mitigate the inundation of the Albeni Falls Dam on the Pend Oreille River. This settlement was negotiated between the Bonneville Power Administration (BPA), the state of Idaho, and the Idaho Department of Fish and Game (IDFG) to permanently resolve interests in wildlife-related mitigation for construction and inundation impacts under the Albeni Falls Dam project. The agreement applies to all Idaho state agencies and was finalized and signed by BPA and IDFG on August 30, 2018. IDFG has been selected as lead representative for this and subsequent projects. H320 of 2015 provided an appropriation of \$1.5 million from the BPA to control erosion and to restore wildlife habitat in the Clark Fork Delta of Lake Pend Oreille, and the majority of this request would support further projects in the delta. This request includes \$250,000 to purchase an amphibious vehicle, \$18,900 in personnel costs to hire a temporary part-time position to aid the current mitigation biologist, and \$5,671,500 to contract engineers, purchase rock and willows to improve water flow, and contractors to build floating bridges and temporary roadways. As part of the agreement, a transfer of \$7 million from BPA will be invested with the Endowment Fund Investment Board, with earnings to support ongoing operations and maintenance for northern Idaho Wildlife Management Areas. [Onetime]</p>					
Agency Request	0.00	0	0	5,940,400	5,940,400
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>5,940,400</i>	<i>5,940,400</i>
3. New Headquarters Lease Payments					
Administration					
<p>The department requests \$500,000 ongoing, split between dedicated license fees (\$300,000) and federal funds (\$200,000), to begin making payments on a new headquarters building located on Walnut Street in Boise that is expected to cost between \$15-\$17 million. The department owns the land underneath the current headquarters building as well as the land surrounding the MK Nature Center. The department also leases 28,000 square feet at the URS/MK Plaza, now owned by St. Luke's, for \$490,000 annually (including a 3% discount for annual payments up front). Combining this request and the base appropriation, the department would have \$1 million available for servicing debt. The lease at the URS/MK Plaza is set to end on June 30, 2022, and the department does not anticipate being able to extend the lease. The department was appropriated \$500,000 in FY 2019 to conduct a study to explore estimates for demolition costs for the existing building; the cost to relocate staff while a new building is being built, or alternatively the cost for constructing the new building without relocation; architectural and engineering plans and estimates; relocation costs for staff and IT infrastructure; and a timeline to accomplish the project. This project is eligible for a split of 60% from dedicated funds and 40% from federal funds as projects that involve administrative support for Fish and Game functions are eligible for reimbursement. The current building is 26,000 square feet and was built in 1964, while the new headquarters building is anticipated to have 70,000 square feet. Since 2012, the department has spent a total of \$293,000 on projects at the Walnut headquarters to replace the roof, HVAC system, and upgrade the facility for security and ADA accessibility. The department anticipates a final bond of \$16 million, with a rate of 4% and a term of 30 years, with a debt service reserve of 15%.</p>					
Agency Request	0.00	0	300,000	200,000	500,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>300,000</i>	<i>200,000</i>	<i>500,000</i>
4. Fish Screening and Angler Access					
Fisheries					
<p>The department requests \$1,195,000 in operating expenditures for the fish screening program and the fishing and boating access program. The screening program, funded by federal Bonneville Power Administration and National Oceanic and Atmospheric Administration (NOAA) Mitchell Act moneys, installs new screens and fishways and maintains over 200 existing installations to keep juvenile salmon and steelhead out of irrigation ditches and canals. According to the department, this is important to maintaining traditional ranching and farming practices in locations where Endangered Species Act listed fish are present. Also, the department maintains over 300 boating and fishing access sites statewide and requests federal Dingell-Johnson Act (United States Fish and Wildlife Service Sport Fisheries Restoration) moneys for development and improvements of those sites. Traditionally, these are requested as onetime capital outlay, however this year, the department is requesting that the average amount requested each year for such projects (\$895,000) be made as part of the ongoing base in operating expenditures. [\$300,000 Onetime]</p>					
Agency Request	0.00	0	300,000	895,000	1,195,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>300,000</i>	<i>895,000</i>	<i>1,195,000</i>

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Hagerman Hatchery Biosecurity					Fisheries
<p>The department requests \$1,109,000 in onetime funding to provide the second phase of improvements at the Hagerman State Fish Hatchery. The second phase of improvements includes the design and construction of the second half of a biosecurity structure consisting of a roof, walls, and chain-link enclosure to help prevent the transfer of disease from birds and other animals to fish that will be reared in the structure. The department completed an enclosure over a portion of rearing raceways at Hagerman, which has reduced the introduction of pathogens transferred to fish, which resulted in lower levels of fish loss. The department takes great care to prevent pathogens from entering the rearing water including UV light bombardment and filtration. This funding is comprised of: \$650,000 of license funds raised through the sale of fishing licenses; \$259,000 from the remaining proceeds from the sale of the Ashton Fish Hatchery; and \$200,000 from the Bonneville Power Administration (BPA) which are restricted by BPA to only address necessary repairs and improvements at the department's resident fish hatcheries. [Onetime]</p>					
Agency Request	0.00	0	1,109,000	0	1,109,000
Governor's Recommendation	0.00	0	1,109,000	0	1,109,000
6. Hatchery Trout Production Increases					Fisheries
<p>The department requests \$991,700 ongoing to provide for increases in the production of hatchery trout that will be stocked in Idaho's lakes and rivers. Efforts to increase production include purchasing additional food, hiring additional temporary workers during certain parts of the fish rearing cycle, and transportation costs. The first element is a request for \$200,000 of ongoing operating expenditures from license funds to reach production goals established in FY 2015 to increase catchable size trout for stocking in Idaho's lakes and rivers. The department estimates that it takes approximately two years to realize increased production efforts and have staged increases to prepare for full production. Increased production will be at full operation in FY 2020, so this request would provide for fish food and transportation for stocking. The second element is a request for \$756,100 of ongoing operating expenditures, and \$35,600 of ongoing temporary personnel costs from funds received from Idaho Power Company (IPC). IPC provides funding support for hatcheries that rear salmon and steelhead, through reimbursement for the cost of fish food and temporary staffing to support fish rearing.</p>					
Agency Request	0.00	0	991,700	0	991,700
Governor's Recommendation	0.00	0	991,700	0	991,700
7. Genetic Lab Capacity Increase					Fisheries
<p>The department requests \$200,000 ongoing from the Fish and Game Expendable Trust to increase capacity at the Eagle Fish Genetics Lab (EFGL). The EFGL provides comprehensive genetic information to address the conservation and management of Idaho's fish species, which is reported to the Bonneville Power Administration (BPA). This work also aids in meeting the Idaho Office of Species Conservation's goals of protecting and recovering imperiled species listed under the Endangered Species Act. The EFGL monitors Chinook salmon, steelhead, burbot, cutthroat trout, and brook trout, and anticipates running an additional 25,000 samples per year. The department is seeing increased use of genetic tags to help monitor the genetic diversity of cutthroat trout broodstock at the Henry's Lake Hatchery and burbot broodstock in the Kootenai River. Fisheries managers also use genetic information to help determine whether fish released to supplement populations of native fish are reproductively successful. This funding would provide for lab consumables, costs to process samples, and the exploration of new genetic testing technology (PoolSeq) to decrease process time and baseline costs.</p>					
Agency Request	0.00	0	200,000	0	200,000
Governor's Recommendation	0.00	0	200,000	0	200,000

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
8. Hunter Survey and Research					Wildlife
<p>The department requests \$309,700 ongoing, split between federal Pittman-Robertson funds (\$232,300) and dedicated license fees (\$77,400), to perform additional hunter surveys and conduct additional population research. These surveys focus on collecting harvest information and user opinion and attitudes for wildlife species. Wildlife research uses chartered helicopters and radio telemetry devices to monitor bighorn sheep, mountain goat, and moose research projects. During the past few years, logistical costs have increased for helicopter charter and the radio telemetry devices. The research staff consists of 9.00 FTP and 17 temporary employees with \$1,889,641 in federal funds and \$238,479 of dedicated license funds in the FY 2020 Base.</p>					
Agency Request	0.00	0	77,400	232,300	309,700
Governor's Recommendation	0.00	0	77,400	232,300	309,700
9. Fort Boise Water Control Structure					Wildlife
<p>The department requests \$1,270,000 in onetime federal funds to improve the water delivery and marsh function on the Fort Boise Wildlife Management Area (WMA). Funding comes from the Wildlife and Sport Fish Restoration Program (WSFR) operated by the U.S. Fish and Wildlife Service, with required match of approximately \$317,000 covered in the FY 2020 Base from other projects. There is currently no funding dedicated to maintaining water systems in the base budget. The buildup of sediment and vegetation over time has choked the water delivery system which is comprised of ditches and canals, piping, check dams, control gates, and ponds making the control of water levels for individual ponds difficult, and current structures lack the capacity to measure flow rates. Cleaning out the existing water delivery system and removing unwanted vegetation can improve habitat and help with managing disease for waterfowl while adding additional access and opportunity for sportsmen. Funds will be used to redesign wetlands, update water control structures, and remove accumulated silt from the system. The department has 1.00 FTP for a biologist and 1.00 FTP for a technician working on the Fort Boise WMA, and anticipates that contractors will carry out the work if this item is approved. [Onetime]</p>					
Agency Request	0.00	0	0	1,270,000	1,270,000
Governor's Recommendation	0.00	0	0	1,270,000	1,270,000
10. North Idaho Mining Restoration					Wildlife
<p>The department requests \$550,000 in onetime federal funding, split evenly between capital outlay and operating expenditures, to prepare for the purchase of 100 acres adjoining public lands, and restore areas impaired by mine waste contaminants in the Black Lake Ranch and Coeur d'Alene River Wildlife Management Areas. The primary source of Black Rock Slough contamination is sediment-laden spring flood waters that enter the slough through a channel between the Coeur d'Alene River and the slough. The department anticipates placing a dike and water control structure in the channel between the river and the slough to control the contamination flow path. This would allow isolation of the slough from the river during periods of sediment-laden high flows in the spring, thereby reducing recontamination. It also would reconnect the two bodies when the contamination risk has passed as well as use moist soil management practices to improve the productivity of the Black Rock Slough wetland basin. These funds are sourced through the Upper Coeur d'Alene Basin Mitigation Fund, made available through the \$150 million Helca Settlement held in trust by the U.S. Fish and Wildlife Services (USFWS). As part of this settlement agreement, a memorandum of understanding (MOU) was set up between the state of Idaho, through the Idaho Department of Fish and Game (IDFG) and the Idaho Department of Environmental Quality (DEQ), the U.S. Department of Interior (DOI), through the Bureau of Land Management and USFWS, the U.S. Forest Service, and the Coeur d'Alene Tribe to evaluate and implement restoration projects. This request would focus on planning, data collection, coordination between federal, local, and private partners, and engineering design work to repair ecosystems damaged by both mining and agricultural wastes in wetland areas. The MOU provides for \$75,000 per year each to IDFG and DEQ to collect public input, develop a restoration plan, and conduct National Environmental Policy Act (NEPA) work. This year marks the beginning of the implementation of some restoration projects. As projects are still being proposed and evaluated, the department anticipates additional requests for appropriation in future years. There is approximately \$138 million remaining in the overall settlement agreement controlled by the MOU, which is available to all four parties for projects to be chosen by all four stakeholders on a merit based system. [Onetime]</p>					
Agency Request	0.00	0	0	550,000	550,000
Governor's Recommendation	0.00	0	0	550,000	550,000

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
11. Mule Deer Habitat Initiatives					Wildlife
<p>The department requests \$100,000 in onetime dedicated license fees to provide for large scale habitat restoration projects through the Mule Deer Initiative. These funds will leverage Federal Land Management Funds from the Bureau of Land Management and National Resource Conservation Service funds to develop landscape scale aspen projects, winter range improvements, and improve migration passage on U.S. Highway 30 in collaboration with the Idaho Transportation Department. The department currently has an environmental staff biologist, 2.00 FTP for wildlife biologists, and a part-time technician that develop and implement mule deer habitat projects, primarily in eastern Idaho. The program has a total budget of \$258,100 in license and \$158,200 in federal funds in the FY 2020 Base, of which \$132,300 is in personnel costs and \$284,000 is in operating expenditures. [Onetime]</p>					
Agency Request	0.00	0	100,000	0	100,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>100,000</i>	<i>0</i>	<i>100,000</i>
12. Black Canyon Dam Mitigation Phase 2					Fisheries
<p>The department requests \$120,000 from the dedicated Fish and Game Expendable Trust Fund for the second phase of Black Canyon Dam mitigation work. After high concentrations of fine sediment were released into the Payette River via the Black Canyon Dam, the Bureau of Reclamation agreed to a monetary settlement in the amount of \$360,000 to compensate the department for habitat damages. The department was appropriated \$120,000 in FY 2019 for the first of a three-year construction program. Second-year work would finish projects not completed in year one and begin focusing on the Emmett Segment of the Payette Wildlife Management Area. Planned improvements include adding amenities at facilities such as ramps for watercraft, restrooms, parking areas, fencing, and appropriate signage. [Onetime]</p>					
Agency Request	0.00	0	120,000	0	120,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>120,000</i>	<i>0</i>	<i>120,000</i>
13. Payette River WMA Shop					Wildlife
<p>The department requests \$350,000 in onetime funds, split between federal Pittman-Robertson (PR) funds (\$262,500 or 75%) and the accompanying 25% dedicated license fees match (\$87,500), to build a workshop on the Payette River Wildlife Management Area (WMA) property. This request would provide a storage area for tools, machinery, herbicides, a washroom, a workshop, and a power source to the site. Existing funds would provide for ongoing maintenance and operations of the new shop, should it be approved. The department has seen growth in the formula driven PR fund apportionments, and seeks to use these increases for onetime projects. [Onetime]</p>					
Agency Request	0.00	0	87,500	262,500	350,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>87,500</i>	<i>262,500</i>	<i>350,000</i>
14. Payment Card Industry Compliance					Administration
<p>The department requests an ongoing appropriation of \$50,000 in dedicated license fees to cover the compliance standards for Payment Card Industry (PCI) security through a third-party vendor. The Idaho Department of Fish and Game (IDFG) was originally appropriated \$40,000 in FY 2018 for the same purpose. However, late in FY 2018 the IDFG was deemed PCI compliant due to its contract with Wells Fargo through the State Treasurer's Office (STO). As a result, in the FY 2019 budget, the \$40,000 was removed as a base reduction. On August 1, 2018, the STO notified IDFG that the circumstances which allowed the state to continue credit card operations without using a "Qualified Security Assessor" had been removed. Therefore, the IDFG requests funds to pursue a PCI compliance solution so that it can continue accepting credit and debit cards at its locations.</p>					
Agency Request	0.00	0	50,000	0	50,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>50,000</i>	<i>0</i>	<i>50,000</i>

Department of Fish and Game

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
15. WMA Asbestos Remediation					Wildlife
The department requests \$35,300 onetime from dedicated license fees to contract out asbestos abatement in a house on the Market Lake Wildlife Management Area (WMA) that will eventually be razed. The house was included as part of a land acquisition that added acreage onto the Market Lake WMA several years ago, but has since remained vacant due to health risks. In order to demolish the building, the department seeks to first contract out to an entity licensed for asbestos abatement as there are no staff trained or licensed in asbestos safety. [Onetime]					
Agency Request	0.00	0	35,300	0	35,300
Governor's Recommendation	0.00	0	35,300	0	35,300
16. Eliminate Engineering Program					Admin, Enf, Fisheries, Wildlife, Eng
The department requests to transfer all full-time equivalent positions and funding from the Engineering Program to four other programs. 1) Transfers 8.00 FTP and \$765,400 to Administration. 2) Transfers 1.50 FTP and \$99,300 to Enforcement. 3) Transfers 1.50 FTP and \$87,300 to Fisheries. 4) Transfers 1.51 FTP and \$99,500 to Wildlife. This request also includes a shift of 0.40 FTP and \$34,100 out of dedicated license funds into federal funds in the Administration Program and a shift of 1.06 FTP and \$78,500 out of dedicated license funds into federal funds in the Wildlife Program to align the appropriation in the destination programs to funding availability. This line item would transfer the Engineering Bureau consisting of the bureau chief, administrative assistant, and three professional engineers to the Administration budgeted program rather than a stand-alone budgeted program. The remaining 7.51 FTP associated with the construction crew currently budgeted under the Engineering Program would be transferred and reclassified to various programs according to leadership priorities. The department concluded that using contracted services locally would provide cost savings, compared to having a dedicated construction crew that is based out of Garden City travel to projects across the state.					
Agency Request	0.00	0	(112,600)	112,600	0
Governor's Recommendation	0.00	0	(112,600)	112,600	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	31,300	20,900	52,200
Budget Law Exemptions					Administration
The agency requests the following language be included in its FY 2020 appropriation bill:					
REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Fish and Game any unexpended and unencumbered balances appropriated to the Department of Fish and Game from the Fish and Game (Licenses) Fund and the Fish and Game (Federal) Fund for the Headquarters Feasibility Study for fiscal year 2019, in an amount not to exceed \$500,000, to be used for nonrecurring expenditures related to the Headquarters Feasibility Study for the period July 1, 2019, through June 30, 2020.					
Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	569.00	0	67,171,300	59,509,500	126,680,800
Governor's Recommendation	569.00	0	67,414,100	59,659,000	127,073,100
Agency Request					
Change from Original App	0.00	0	5,872,800	8,103,700	13,976,500
% Change from Original App	0.0%		9.6%	15.8%	12.4%
Governor's Recommendation					
Change from Original App	0.00	0	6,115,600	8,253,200	14,368,800
% Change from Original App	0.0%		10.0%	16.1%	12.7%

Idaho Legislative Budget Book

Board of Land Commissioners

2019 Legislative Session

Investment Board, Endowment Fund	4 - 23
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Board of Land Commissioners

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Investment Board, Endow Fund	753,600	685,800	722,700	715,900	743,100
Lands, Department of	54,734,100	47,151,900	59,362,800	60,587,000	59,954,500
Total:	55,487,700	47,837,700	60,085,500	61,302,900	60,697,600
BY FUND CATEGORY					
General	6,070,100	5,938,600	6,021,400	6,168,400	6,298,200
Dedicated	42,528,100	37,633,600	47,158,100	48,211,200	47,460,500
Federal	6,889,500	4,265,500	6,906,000	6,923,300	6,938,900
Total:	55,487,700	47,837,700	60,085,500	61,302,900	60,697,600
Percent Change:		(13.8%)	25.6%	2.0%	1.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	29,660,600	26,524,700	30,488,700	30,968,600	31,354,500
Operating Expenditures	19,078,300	15,900,300	20,987,500	20,232,600	20,366,100
Capital Outlay	1,619,700	1,628,300	1,954,700	3,438,300	2,322,400
Trustee/Benefit	5,129,100	3,784,400	6,654,600	6,663,400	6,654,600
Total:	55,487,700	47,837,700	60,085,500	61,302,900	60,697,600
Full-Time Positions (FTP)	315.85	315.85	324.85	327.82	326.82

Department Description

Section 58-101, Idaho Code, creates the Department of Lands: "The governor, secretary of state, attorney general, state controller, and superintendent of public instruction being constituted a state board of land commissioners by section 7 of article 9, of the constitution of the state, as such board, have the direction, control, and disposition of the public lands of the state. The board shall exercise the said constitutional functions through the instrumentality of a department of lands which is hereby created." Section 67-2402, Idaho Code, lists the Department of Lands as one of the 20 executive branch departments authorized by Section 20 of Article 4 of the state Constitution.

Section 57-718, Idaho Code, places the Endowment Fund Investment Board under the Land Board, effective July 1, 2000: "There is hereby established in the state board of land commissioners an endowment fund investment board."

Endowment Fund Investment Board

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	753,600	685,800	722,700	715,900	743,100
Percent Change:		(9.0%)	5.4%	(0.9%)	2.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	558,200	531,500	530,700	522,500	544,600
Operating Expenditures	193,700	153,000	190,000	191,400	196,500
Capital Outlay	1,700	1,300	2,000	2,000	2,000
Total:	753,600	685,800	722,700	715,900	743,100
Full-Time Positions (FTP)	3.70	3.70	3.70	4.00	4.00

Division Description

The Endowment Fund Investment Board (EFIB) is responsible for managing the investments of the land grant endowment funds (Section 57-721, Idaho Code), the State Insurance Fund (Section 72-912, Idaho Code), and other moneys as required by law (Section 57-720, Idaho Code). Other moneys as required by law include Ritter Island and Trail of the Coeur d'Alenes for the Idaho Department of Parks and Recreation, investments for the Kellogg institutional controls program for the Idaho Department of Environmental Quality, and two wildlife habitat endowments for the Idaho Department of Fish and Game.

The State Legislature created the Endowment Fund Investment Board in 1969 (Section 57-718, Idaho Code), after the passage of a constitutional amendment in 1968. Before that, the State Treasurer had been responsible for the management of the state's land grant endowment funds. The Department of Finance took over investment responsibilities for two years until the EFIB's first manager was hired and the office opened July 1, 1971.

The 1998 Legislature approved four pieces of legislation (HJM9, HJR6, HJR8, and H643aa) that began the latest round of endowment reform. 1) HJM9 requested that Congress allow proceeds from the sale of public school endowment lands to be deposited into a land bank to be used to purchase other lands. Congress later approved the memorial. 2) HJR6 proposed amendments to the state constitution to change the word "disposal" to "sale" and to allow a land bank. Voters approved the constitutional amendment but the Supreme Court later invalidated the amendment, ruling that the amendment contained two questions and was not put properly before the people. The land board resubmitted the constitutional amendment regarding the land bank as HJR1 in 2000 and the electorate approved the amendment that fall. 3) HJR8 proposed amendments to the state constitution to allow the permanent fund to be invested rather than loaned, to create an earnings reserve, and to allow for payment of administrative costs from the earnings reserve. Voters approved that constitutional amendment in 1998. 4) H643aa of 1998 set up the distribution mechanisms necessary for the permanent funds, the earnings reserve and the income funds. The bill moved the Endowment Fund Investment Board from the Governor's Office to the Land Board effective July 1, 2000. Therefore, actual expenditures before FY 2001 are shown in the Executive Office of the Governor. The legislation also set up a land bank, and changed the makeup of the board. The makeup of the nine-member board changed to remove the Superintendent of Public Instruction and the Director of the Department of Finance, and replaced them with two "public members from the citizenry at large who are knowledgeable and experienced in financial matters and the placement or management of investment assets" (Section 57-718, Idaho Code). S1107 of 1999 changed the effective date of certain sections of H643aa to allow investment in equities (stock) effective February 15, 1999.

H690aa of 1998 established the Capitol Commission and the Capitol Endowment from the former Public Building Endowment effective on July 1, 1998. H643aa was to become effective July 1, 2000 creating a potential conflict with H690aa. However, during the 2000 session, the Legislature resolved that conflict by repealing the Public Building Endowment. H181 of 2013 established a Capitol Maintenance Reserve Fund for the Capitol Commission. Starting in FY 2014, most of the distribution from the Capitol Permanent Endowment Fund began flowing to the maintenance reserve instead of the Capitol Commission's operating fund.

Endowment Fund Investment Board

Agency Profile

Analyst: Sepich

Profile of Key Services Provided

Millions of dollars	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
End of Year Market Values of Funds Under Management (\$ Millions)						
1. Public School Permanent Endowment	\$792.9	\$922.4	\$954.0	\$847.4	\$911.6	\$1,026.5
2. Public School Earnings Reserve Fund	122.0	163.8	183.6	282.6	343.7	326.7
3. Other Land Grant Permanent Funds	392.2	477.4	500.9	538.6	554.8	605.9
4. Other Land Grant Earnings Reserves	127.6	181.2	204.2	161.8	226.0	242.5
5. Subtotal Land Grant Endowments	\$1,434.8	\$1,744.8	\$1,842.7	\$1,830.4	\$2,036.1	\$2,201.6
6. Capitol Permanent Endowment	25.9	in line 3	in line 3	in line 3	in line 3	in line 3
7. State Insurance Fund	594.4	630.2	621.5	669.9	729.3	761.2
8. Judges' Retirement (to PERSI in 2015)	66.4	75.1	0.0	0.0	0.0	0.0
9. Other Investments * IDPR, DEQ, IDFG	3.4	3.7	74.8	77.1	86.7	95.2
10. Total Funds under Management	\$2,125.0	\$2,453.7	\$2,539.1	\$2,577.4	\$2,852.0	\$3,057.9
*IDPR Ritter Island \$1.4 M; IDPR Trail of the Coeur d'Alenes \$3.0 M; DEQ Bunker Hill Water Treatment \$66.5 M; IDFG Wildlife Stewardship \$20.0 M; IDFG Trust \$3.9 M						
Combined Permanent and Earnings Reserve Funds (\$ Millions)						
11. Beginning Value July 1	\$1,258.3	\$1,434.8	\$1,744.8	\$1,842.7	\$1,830.4	\$2,036.1
12. Lands Contributions- Permanent Fund	2.43	28.28	49.14	2.08	1.95	2.55
13. Lands Contributions- Earnings Reserve	74.42	87.87	83.09	78.18	70.67	73.49
14. Income (Loss) from Investments	179.31	273.75	53.17	(2.84)	233.81	200.01
15. Lands Expenses	(26.00)	(23.72)	(27.69)	(25.33)	(29.24)	(27.65)
16. EFIB Expenses	(6.17)	(7.27)	(7.65)	(7.59)	(7.83)	(9.13)
17. Capitol Endowment Distributions	0.00	(.05)	(.10)	(.40)	(.50)	(.40)
18. Distributions to Beneficiaries	(47.51)	(48.84)	(51.98)	(56.47)	(63.16)	(73.48)
19. Ending Combined Perm and ER Funds	\$1,434.8	\$1,744.8	\$1,842.7	\$1,830.4	\$2,036.1	\$2,201.5
20. Gross Investment Return Before Fees	14.4%	18.8%	3.0%	(0.2%)	12.8%	9.8%
21. Expenses to year-end net assets	0.43%	0.42%	0.44%	0.43%	0.42%	0.38%
					FY 2019	FY 2020
Distributions to Beneficiaries (\$ Millions)	FY 2015	FY 2016	FY 2017	FY 2018	Estimate	Estimate
22. Public Schools	\$31.2924	\$32.7588	\$36.7248	\$47.0496	\$50.3256	\$51.2600
23. Agricultural College	1.1640	1.2888	1.3476	1.3476	1.4472	1.4660
24. Charitable Institutions	3.8520	4.5000	5.5440	5.5440	5.7540	5.7540
25. Idaho State University 4/15	1.0272	1.2000	1.4784	1.4784	1.5344	1.5344
26. Juvenile Corrections Center 4/15	1.0272	1.2000	1.4784	1.4784	1.5344	1.5344
27. State Hospital North 4/15	1.0272	1.2000	1.4784	1.4784	1.5344	1.5344
28. Veterans Home 5/30	.6420	.7500	.9240	.9240	.9590	.9590
29. School for the Deaf and Blind 1/30	.1284	.1500	.1848	.1848	.1918	.1918
30. Normal School	3.1440	3.6084	4.2624	4.2624	4.4100	4.9460
31. ISU College of Education 1/2	1.5720	1.8042	2.1312	2.1312	2.2050	2.4730
32. Lewis-Clark State College 1/2	1.5720	1.8042	2.1312	2.1312	2.2050	2.4730
33. Penitentiary	1.7076	1.8720	1.9656	1.9656	2.1936	2.2470
34. School of Science	3.8664	3.8664	4.7088	4.7088	4.8264	4.9300
35. SHS Mental Hospital	3.6254	4.5624	4.5624	4.5624	5.0244	5.9550
36. University of Idaho	3.3264	4.0164	4.0428	4.0428	4.2252	4.3600
37. Land Grant Beneficiary Distributions	\$51.9782	\$56.4732	\$63.1584	\$73.4832	\$78.2064	\$80.9180
38. Percent Change in Distributions	6.4%	8.6%	11.8%	16.3%	6.4%	3.5%

Except for the Capitol Endowment, the distribution rule for each land grant endowment is based on a percentage of the lower of the three-year moving average of the permanent fund or the amount held in the Earnings Reserve divided by the number of target reserve years. The Land Board approved FY 2020 Public School Distribution is based on 2016 and 2017 deferred gains.

Endowment Fund Investment Board

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	3.70	0	722,700	3.70	0	722,700
Noncognizable Funds and Transfers	0.30	0	0	0.30	0	0
FY 2019 Estimated Expenditures	4.00	0	722,700	4.00	0	722,700
Removal of Onetime Expenditures	0.00	0	(2,000)	0.00	0	(2,000)
Base Adjustments	0.00	0	(15,200)	0.00	0	0
FY 2020 Base	4.00	0	705,500	4.00	0	720,700
Benefit Costs	0.00	0	2,100	0.00	0	(600)
Replacement Items	0.00	0	2,000	0.00	0	2,000
Statewide Cost Allocation	0.00	0	1,400	0.00	0	1,400
Change in Employee Compensation	0.00	0	4,900	0.00	0	14,500
FY 2020 Program Maintenance	4.00	0	715,900	4.00	0	738,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	300
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	1,900
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	2,900
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	4.00	0	715,900	4.00	0	743,100
Change from Original Appropriation	0.30	0	(6,800)	0.30	0	20,400
% Change from Original Appropriation			(0.9%)			2.8%

Endowment Fund Investment Board

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	3.70	0	722,700	0	722,700

Noncognizable Funds and Transfers

The Governor approved an increase of the FTP cap for the Endowment Fund Investment Board by 0.30 FTP to allow the agency to hire a full-time financial specialist. The position had historically been full-time, however in FY 2015 the board decided to change the position from 40 hours per week to 28 hours per week. According to the transmittal letter from the Division of Financial Management, the part-time position was not sufficient to accommodate the responsibilities that have gradually shifted to the financial specialist. Existing ongoing dedicated funds are anticipated to be sufficient to cover salary needs for FY 2019.

Agency Request	0.30	0	0	0	0
Governor's Recommendation	0.30	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	4.00	0	722,700	0	722,700
Governor's Recommendation	4.00	0	722,700	0	722,700

Removal of Onetime Expenditures

This adjustment removes onetime funding that was provided for replacement costs associated with one computer and two chairs.

Agency Request	0.00	0	(2,000)	0	(2,000)
Governor's Recommendation	0.00	0	(2,000)	0	(2,000)

Base Adjustments

This adjustment decreases dedicated funds appropriation due to a newly hired manager of investments paid at a lower rate than the previous incumbent.

Agency Request	0.00	0	(15,200)	0	(15,200)
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The Governor recommends the removal of the base reduction so the agency can fully fund the full-time financial specialist position.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	4.00	0	705,500	0	705,500
Governor's Recommendation	4.00	0	720,700	0	720,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	2,100	0	2,100
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(600)	0	(600)
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Replacement Items

The Endowment Fund Investment Board requests \$2,000 in dedicated funds to purchase one new computer and a new chair.

Agency Request	0.00	0	2,000	0	2,000
Governor's Recommendation	0.00	0	2,000	0	2,000

Endowment Fund Investment Board

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$200, risk management costs will increase by \$300, State Controller fees will increase by \$900, for a net increase of \$1,400.					
Agency Request	0.00	0	1,400	0	1,400
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>1,400</i>	<i>0</i>	<i>1,400</i>
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	4,900	0	4,900
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>14,500</i>	<i>0</i>	<i>14,500</i>
FY 2020 Program Maintenance					
Agency Request	4.00	0	715,900	0	715,900
<i>Governor's Recommendation</i>	<i>4.00</i>	<i>0</i>	<i>738,000</i>	<i>0</i>	<i>738,000</i>
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>300</i>	<i>0</i>	<i>300</i>
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>1,900</i>	<i>0</i>	<i>1,900</i>
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,900</i>	<i>0</i>	<i>2,900</i>
Budget Law Exemptions					
The Endowment Fund Investment Board requests a continuous appropriation for consulting fees, bank custodial fees, and portfolio-related external costs. The variable costs associated with these services depend on the size of the portfolio and the turnover of investments. This uncertainty makes budgeting difficult. Appropriation bill language allows the Legislature to re-evaluate the need for a continuous appropriation on an annual basis and to consider a fixed appropriation should the costs be determined to be more predictable. Actual costs paid through the continuous appropriation have steadily increased from \$1,327,421 in FY 2001 for the first full-year after endowment reform to \$8,076,400 in FY 2018.					
Language Requested: The Endowment Fund Investment Board is hereby granted continuous appropriation authority for consulting fees, bank custodial fees, and portfolio-related external costs for the period July 1, 2019, through June 30, 2020.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Endowment Fund Investment Board

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	4.00	0	715,900	0	715,900
<i>Governor's Recommendation</i>	<i>4.00</i>	<i>0</i>	<i>743,100</i>	<i>0</i>	<i>743,100</i>
Agency Request					
Change from Original App	0.30	0	(6,800)	0	(6,800)
% Change from Original App	8.1%		(0.9%)		(0.9%)
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.30</i>	<i>0</i>	<i>20,400</i>	<i>0</i>	<i>20,400</i>
<i>% Change from Original App</i>	<i>8.1%</i>		<i>2.8%</i>		<i>2.8%</i>

Department of Lands

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Support Services	6,591,600	6,388,900	7,150,900	7,160,700	7,223,400
Forest Resources Management	27,083,400	23,180,700	31,072,300	31,337,600	31,183,000
Lands and Waterways	10,722,600	8,273,000	9,484,700	9,731,300	9,674,800
Forest & Range Fire Protection	10,064,100	9,080,000	10,658,300	11,369,900	10,878,700
Scaling Practices	272,400	229,300	271,000	310,300	312,700
Oil and Gas Conservation	0	0	725,600	677,200	681,900
Total:	54,734,100	47,151,900	59,362,800	60,587,000	59,954,500
BY FUND CATEGORY					
General	6,070,100	5,938,600	6,021,400	6,168,400	6,298,200
Dedicated	41,774,500	36,947,800	46,435,400	47,495,300	46,717,400
Federal	6,889,500	4,265,500	6,906,000	6,923,300	6,938,900
Total:	54,734,100	47,151,900	59,362,800	60,587,000	59,954,500
Percent Change:		(13.9%)	25.9%	2.1%	1.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	29,102,400	25,993,200	29,958,000	30,446,100	30,809,900
Operating Expenditures	18,884,600	15,747,300	20,797,500	20,041,200	20,169,600
Capital Outlay	1,618,000	1,627,000	1,952,700	3,436,300	2,320,400
Trustee/Benefit	5,129,100	3,784,400	6,654,600	6,663,400	6,654,600
Total:	54,734,100	47,151,900	59,362,800	60,587,000	59,954,500
Full-Time Positions (FTP)	312.15	312.15	321.15	323.82	322.82

Division Description

The Department of Lands has six budgeted programs. 1) The Support Services Program provides staff support and technical assistance to the State Board of Land Commissioners and Department of Lands for fiscal, administrative, data processing, personnel, and legal needs.

2) The Division of Forest Resources supervises and develops an annual timber sales program of 242.2 million board feet on state endowment lands; administers an intensive forest improvement program to enhance the productivity of state forest lands; and assists Idaho's cities and rural communities in the areas of the Forest Practices Act, forest stewardship, and urban forestry programs.

3) The Lands and Waterways Program derives income from cropland, grazing, mineral resources, recreation sites, and special surface uses of state owned land. It provides environmental protection of the state's natural resources and public trust lands through administration of the Lake Protection Act, Surface Mining Act, and the Dredge and Placer Mining Act. The program administers land sale and exchange transactions of state ownership that increase efficiency while acquiring high value, high revenue-producing property.

4) The Forest and Range Fire Protection Program provides protection to the timber and grazing resources of the state through prevention, rapid detection, and suppression of wildfire; and provides assistance to rural community fire departments.

5) The Board of Scaling Practices is charged with the responsibility of assuring that only competent and certified scalers are used by the forest products industry to scale (measure) forest products in a standard, uniform method statewide.

6) The Oil and Gas Conservation Division is charged with overseeing the petroleum industry pursuant to H301aa and S1099aaH of 2017, which established the division and created a new deputy director to oversee gas and oil exploration in Idaho. This division was budgeted under the Lands and Waterways Program prior to FY 2019.

Department of Lands

Comparative Summary

Analyst: Sepich

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	321.15	6,021,400	59,362,800	321.15	6,021,400	59,362,800
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	321.15	6,021,400	59,362,800	321.15	6,021,400	59,362,800
Removal of Onetime Expenditures	0.00	(104,700)	(2,687,400)	0.00	(104,700)	(2,687,400)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	321.15	5,916,700	56,675,400	321.15	5,916,700	56,675,400
Benefit Costs	0.00	8,200	51,100	0.00	(29,600)	(186,000)
Inflationary Adjustments	0.00	600	6,300	0.00	600	6,300
Replacement Items	0.00	183,800	1,928,000	0.00	130,300	1,874,500
Statewide Cost Allocation	0.00	500	9,300	0.00	500	9,300
Change in Employee Compensation	0.00	36,000	252,100	0.00	102,700	681,200
FY 2020 Program Maintenance	321.15	6,145,800	58,922,200	321.15	6,121,200	59,060,700
1. Right-of-Way Agent	1.00	0	85,700	0.00	0	0
2. IT Support Analyst	1.00	13,800	86,400	1.00	0	86,600
3. Tree Coolers	0.00	0	391,600	0.00	0	391,600
4. Eastern Area Office FTP	0.67	0	32,800	0.67	0	32,400
5. Replace St. Joe Facility	0.00	0	1,059,500	0.00	0	0
6. Timber Protective Assn CEC & Inflation	0.00	8,800	8,800	0.00	0	0
7. Forest Practices Act	0.00	0	0	0.00	177,000	357,000
8. Fire Suppression	0.00	0	0	0.00	20,000,000	20,000,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	26,200
Cash Transfers	0.00	0	0	0.00	(20,000,000)	(20,000,000)
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	323.82	6,168,400	60,587,000	322.82	6,298,200	59,954,500
Change from Original Appropriation	2.67	147,000	1,224,200	1.67	276,800	591,700
% Change from Original Appropriation		2.4%	2.1%		4.6%	1.0%

Department of Lands

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	321.15	6,021,400	46,435,400	6,906,000	59,362,800

Noncognizable Funds and Transfers

This adjustment realigns 1.37 FTP between programs and fund sources for a net of zero.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	0.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	321.15	6,021,400	46,435,400	6,906,000	59,362,800
<i>Governor's Recommendation</i>	321.15	6,021,400	46,435,400	6,906,000	59,362,800

Removal of Onetime Expenditures

This adjustment removes amounts for replacement items and line items funded on a onetime basis in FY 2019.

Agency Request	0.00	(104,700)	(2,582,700)	0	(2,687,400)
<i>Governor's Recommendation</i>	0.00	(104,700)	(2,582,700)	0	(2,687,400)

Base Adjustments

The department requests the transfer of 1.13 FTP and \$119,000 in personnel costs from the Support Services Program and the Oil and Gas Conservation Program to the Lands and Waterways to account for the actual distribution of FTP in the Lands and Waterways Program. More FTP and associated funding were removed from the Lands and Waterways Program when the Oil and Gas Conservation Program was created than actually worked on gas-related projects. This adjustment also shifts \$200,000 in federal funds from the Forest Resources Management Program to the Forest and Range Fire Protection Program to account for changes in federal funding.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	0.00	0	0	0	0

FY 2020 Base					
Agency Request	321.15	5,916,700	43,852,700	6,906,000	56,675,400
<i>Governor's Recommendation</i>	321.15	5,916,700	43,852,700	6,906,000	56,675,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	8,200	41,700	1,200	51,100
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
<i>Governor's Recommendation</i>	0.00	(29,600)	(153,100)	(3,300)	(186,000)

Inflationary Adjustments

Inflationary adjustments include \$6,300 for the increase in the Capitol Park Plaza rent charged by the Department of Lands. The department leases 22,900 square feet at 300 North 6th Street in Boise, and lease costs are expected to increase by 2.99% or \$6,300. The Capital Park Plaza is owned by the State Hospital South endowment and the Normal School endowment.

Agency Request	0.00	600	5,700	0	6,300
<i>Governor's Recommendation</i>	0.00	600	5,700	0	6,300

Department of Lands

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Replacement Items

Replacement items include: \$269,700 for computer and peripheral equipment; \$451,200 for networking and storage equipment; \$1,138,100 for vehicles and small motorized equipment; and \$69,000 for communications equipment, for a total of \$1,928,000. Of the amount requested, \$183,800 is from the General Fund, \$1,041,500 is from the Department of Lands Fund, and \$702,700 is from the Endowment Earnings Administrative Fund.

Agency Request	0.00	183,800	1,744,200	0	1,928,000
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The Governor does not recommend \$53,500 for the replacement of an SUV with 90,595 miles.

Governor's Recommendation	0.00	130,300	1,744,200	0	1,874,500
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$58,800, risk management costs will increase by \$36,500, State Controller fees will increase by \$30,700, and State Treasurer fees will increase by \$900, for a net increase of \$9,300.

Agency Request	0.00	500	8,800	0	9,300
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Governor's Recommendation	0.00	500	8,800	0	9,300
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	36,000	200,000	16,100	252,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	102,700	542,300	36,200	681,200
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FY 2020 Program Maintenance

Agency Request	321.15	6,145,800	45,853,100	6,923,300	58,922,200
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Governor's Recommendation	321.15	6,121,200	46,000,600	6,938,900	59,060,700
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1. Right-of-Way Agent

Lands and Waterways

The department requests 1.00 FTP and \$85,700 from the Endowment Earnings Administrative Fund to hire a senior right-of-way (ROW) agent. The ROW program is responsible for acquiring and granting ROW on Idaho Department of Lands (IDL) managed lands. This position would assist with the acquisition and granting of ROW on over 2.4 million acres of state endowment land. Approximately 30% of endowment lands are not legally accessible due to being partially or wholly surrounded by private, federal, or tribal lands. IDL cannot engage in revenue-producing activities such as timber harvesting and livestock grazing without access to endowment land for management. There are currently two positions dedicated to IDL's ROW Program, but the department argues this is insufficient to meet the needs of the state and the public. [\$2,900 Onetime]

Agency Request	1.00	0	85,700	0	85,700
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Department of Lands

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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2. IT Support Analyst

Support Services

The department requests 1.00 FTP and \$86,400 to hire a full-time IT operations and support analyst at pay grade L to provide technical administration of enterprise network software, hardware, servers, storage, security systems and tier-two help desk support. Requested funding is split between the General Fund (15% or \$13,800), the Department of Lands dedicated fund (15% or \$13,800), and the Endowment Earnings Administration Fund (70% or \$58,800). The IT Bureau is currently engaged in development of various enterprise management systems including the Land Information Management System (LIMS) Forestry, LIMS Lands and Waterways, and Enterprise Content Management (ECM) which has shifted from a paper-based system to one based on electronic records. These systems now include public facing portals, so both internal users and external customers are affected by downtime or other technical issues. Further, adding public facing portals increases cybersecurity risk by adding additional access points for potential infiltration. The recent implementation of mobile device management software lagged significantly because of technical dependencies on network configuration that were in turn delayed due to hardware replacements. According to the department, help desk issue tickets doubled between 2015 and 2017, and 2018 is expected to see an additional 10% growth in tickets due to agency growth and new enterprise systems come online. The department anticipates that this position would address network configuration needs, reduce the backlog of projects, improve technical support, reduce cybersecurity risk, and decrease turn around time when issues develop. [\$4,300 Onetime]

Agency Request	1.00	13,800	72,600	0	86,400
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Recommended by the Governor with changes for benefits and compensation, and split between \$27,600 from the Department of Lands Fund and \$59,000 from the Endowment Earnings Administrative Fund.

Governor's Recommendation	1.00	0	86,600	0	86,600
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3. Tree Coolers

Forest Resources Management

The department requests \$391,600 onetime from the Endowment Earnings Administration Fund to construct two insulated buildings to be used as tree seedling storage coolers on the Ponderosa (1,080 square feet) and St. Joe (1,440 square feet) areas. The structures would provide long-term storage needs in the two area offices that manage the state's most productive forest lands. The buildings would be used 12-16 weeks annually for storage before and during planting in the spring and fall, after seedlings have been received from the grower. Each area's planting program is expected to average between 350,000-400,000 (Ponderosa Area) and 400,000-500,000 (St. Joe Area) seedlings annually. The department conducted a cost estimate comparing the costs over a 30-year lifespan, assuming a 2.25% inflationary rate, and found the physical buildings would be less expensive than renting electric trailers by approximately \$91,000 and more expensive than renting diesel trailers by approximately \$63,000. In this analysis, renting trailers would only provide a capacity of 120,000 seedlings in each area, whereas permanent coolers would more than double the square footage. The majority of the cost difference between electric and diesel powered trailers is the transportation costs associated with moving electric trailers to Idaho, as these are primarily only available through companies in Georgia. Seedlings come from nurseries on pallets, which would be directly loaded into the coolers, but requires manually unloading pallets to get them into the trailers. These coolers would also be utilized for storing tree cones as well as other equipment during the majority of the year. H268 of 2015 appropriated moneys for FY 2016 that included \$115,300 for one pre-fab seeding cooler box at Priest Lake, \$20,000 to remodel a storage shed at Mica into a tree cooler, and \$29,900 to remodel a garage at Ponderosa into a tree cooler. [Onetime]

Agency Request	0.00	0	391,600	0	391,600
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Governor's Recommendation	0.00	0	391,600	0	391,600
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Department of Lands

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Eastern Area Office FTP			Lands and Waterways		
The department is requesting 0.67 FTP and \$32,800 for the conversion of one temporary, half-time and non-benefited office specialist at the Eastern Area Office to full-time. The department currently utilizes the services of a temporary employment agency to provide two temporary part-time office assistants, one in Idaho Falls and one at the Jerome Field Office. These temporary office assistants are currently paid with salary savings from vacancies, which fluctuate from year to year. Most administrative support activities for the Jerome Field Office are handled by the Idaho Falls office. The department anticipates that this request would provide year-round external and internal customer service, reduce turnover currently experienced with temporary employees, and limit the need for repeated training.					
Agency Request	0.67	0	32,800	0	32,800
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	0.67	0	32,400	0	32,400
5. Replace St. Joe Facility			Forest Resources Mgmt., Fire Protection		
The department requests \$1,059,500 onetime from the Endowment Earnings Administration Fund (\$549,900) and the Fire Pre-Suppression Fund (\$509,600) to replace the existing St. Joe Supervisory Area field office. The total rebuild is anticipated to cost \$4,079,500 at full load out, with the Permanent Building Fund covering \$3,302,500, or 80% of the project. The current facility is 5,400 square foot, with a separate 2,000 square foot building for fire operations. The proposed facility would combine the two functions in one 14,100 square foot building to accommodate the staff of 21.00 FTP, one temporary employee, and 20 seasonal employees, engine bays, and fire cache. In a 2016 facilities assessment approximately \$266,600 worth of maintenance, repairs, and ADA compliance items were identified for the current facility which was originally built in the 1940's and has undergone three additions since. The additions have created separate HVAC systems which the department argues are ineffective, and the reception area for the public entrance was identified as a bottleneck for workflow and customer service for members of the public discussing forestry needs with staff or seeking permits. In the past five years, the department has invested \$12,000 in maintenance in the facility. The department anticipates ongoing operating costs to be similar even with the additional footprint of the building due to increased efficiency through HVAC updates, better insulation, and LED lighting. [Onetime]					
Analyst Comment: The Permanent Building Fund Advisory Council met on November 2, 2018, and did not recommend funding for the new St. Joe Facility. In response, the department will not pursue this line item due to a lack of funds.					
Agency Request	0.00	0	1,059,500	0	1,059,500
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
6. Timber Protective Assn CEC & Inflation			Forest and Range Fire Protection		
This is an \$8,800 ongoing General Fund request on behalf of the Clearwater-Potlatch Timber Protective Association (CPTPA) and the Southern Idaho Timber Protective Association (SITPA) to fund a 1% change in employee compensation (CEC) and 1% inflation for operating expenditures. State fire protection is organized into 12 forest protection districts that provide wildland fire protection of land with mixed ownership. Ten of the districts are operated by the department and two are operated by timber protective associations under agreement with the department. The TPAs are funded with a combination of membership or tax roll assessments, General Fund support, and contracts for fighting fires outside of their protection district. Once a fire breaks out, the TPAs are paid from deficiency warrants just like the other ten protection districts. The current General Fund base funding is \$615,600 for CPTPA and \$260,600 for SITPA for a total of \$876,200. The request is \$5,100 for CPTPA and \$2,100 for SITPA in change in employee compensation, and \$1,100 for CPTPA and \$500 for SITPA in operating expenditures for a total of \$8,800.					
Agency Request	0.00	8,800	0	0	8,800
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

Department of Lands

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
7. Forest Practices Act				Forest Resources Management	
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$177,000 from the General Fund and \$180,000 in dedicated funds to fulfill statutory obligations and to administer the Idaho Forest Practices Act (FPA). This decision unit is contingent upon passage of legislation increasing the maximum allowed FPA assessment and the corresponding General Fund match.</i>					
Governor's Recommendation	0.00	177,000	180,000	0	357,000
8. Fire Suppression				Forest and Range Fire Protection	
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a onetime General Fund transfer to the Fire Suppression Deficiency Fund to cover fire costs.</i>					
Governor's Recommendation	0.00	20,000,000	0	0	20,000,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	26,200	0	26,200
Cash Transfers					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a onetime General Fund transfer to the Fire Suppression Deficiency Fund to cover fire costs.</i>					
Governor's Recommendation	0.00	(20,000,000)	0	0	(20,000,000)

Budget Law Exemptions

The agency requests the following language be included in its FY 2020 appropriation bill:

REAPPROPRIATION AUTHORITY FOR THE LAND INFORMATION MANAGEMENT SYSTEM: There is hereby reappropriated to the Department of Lands any unexpended and unencumbered balances appropriated to the Department of Lands from the Department of Lands Fund for the Land Information Management System for fiscal year 2019, in an amount not to exceed \$250,000, to be used for nonrecurring expenditures related to the Land Information Management System for the period July 1, 2019, through June 30, 2020.

REAPPROPRIATION AUTHORITY FOR THE PRIVATE FIRE SYSTEM: There is hereby reappropriated to the Department of Lands any unexpended and unencumbered balances appropriated to the Department of Lands from the Department of Lands Fund for the Private Fire and Hazard Management System for fiscal year 2019, in an amount not to exceed \$250,000, to be used for nonrecurring expenditures related to the Private Fire and Hazard Management System for the period July 1, 2019, through June 30, 2020.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Total					
Agency Request	323.82	6,168,400	47,495,300	6,923,300	60,587,000
Governor's Recommendation	322.82	6,298,200	46,717,400	6,938,900	59,954,500
Agency Request					
Change from Original App	2.67	147,000	1,059,900	17,300	1,224,200
% Change from Original App	0.8%	2.4%	2.3%	0.3%	2.1%
Governor's Recommendation					
Change from Original App	1.67	276,800	282,000	32,900	591,700
% Change from Original App	0.5%	4.6%	0.6%	0.5%	1.0%

Idaho Legislative Budget Book

Department of Parks and Recreation

2019 Legislative Session

Parks and Recreation, Department of	4 - 39
Lava Hot Springs Foundation	4 - 45

Department of Parks and Recreation

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Parks & Recreation, Dept of	51,995,500	36,146,100	43,217,600	44,389,800	42,808,900
Lava Hot Springs Foundation	2,316,500	2,142,200	2,312,300	2,492,700	2,495,000
Total:	54,312,000	38,288,300	45,529,900	46,882,500	45,303,900
BY FUND CATEGORY					
General	3,927,900	3,774,900	4,217,700	5,589,900	4,010,700
Dedicated	43,045,300	29,812,500	34,082,500	34,813,600	34,811,400
Federal	7,338,800	4,700,900	7,229,700	6,479,000	6,481,800
Total:	54,312,000	38,288,300	45,529,900	46,882,500	45,303,900
Percent Change:		(29.5%)	18.9%	3.0%	(0.5%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	14,318,600	13,367,100	14,700,600	14,966,400	14,962,700
Operating Expenditures	7,904,600	6,710,500	8,128,100	8,132,800	8,147,900
Capital Outlay	17,299,500	5,673,000	7,911,900	8,594,000	7,004,000
Trustee/Benefit	14,789,300	12,537,700	14,789,300	15,189,300	15,189,300
Total:	54,312,000	38,288,300	45,529,900	46,882,500	45,303,900
Full-Time Positions (FTP)	170.44	170.44	172.44	174.19	174.19

Department Description

For organizational purposes, Section 67-4401, Idaho Code, places the Lava Hot Springs Foundation into the Department of Parks and Recreation. The foundation has a separate governing board and submits its budget request independently.

Department of Parks and Recreation

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Management Services	18,126,600	15,827,000	18,401,200	18,718,600	18,752,200
Park Operations	18,468,600	16,332,500	19,264,400	19,304,200	19,279,700
Capital Development	15,400,300	3,986,600	5,552,000	6,367,000	4,777,000
Total:	51,995,500	36,146,100	43,217,600	44,389,800	42,808,900
BY FUND CATEGORY					
General	3,927,900	3,774,900	4,217,700	5,589,900	4,010,700
Dedicated	40,728,800	27,670,300	31,770,200	32,320,900	32,316,400
Federal	7,338,800	4,700,900	7,229,700	6,479,000	6,481,800
Total:	51,995,500	36,146,100	43,217,600	44,389,800	42,808,900
Percent Change:		(30.5%)	19.6%	2.7%	(0.9%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	12,970,200	12,097,400	13,351,000	13,603,000	13,598,400
Operating Expenditures	7,134,000	5,959,300	7,365,400	7,393,500	7,407,200
Capital Outlay	17,102,000	5,551,700	7,711,900	8,204,000	6,614,000
Trustee/Benefit	14,789,300	12,537,700	14,789,300	15,189,300	15,189,300
Total:	51,995,500	36,146,100	43,217,600	44,389,800	42,808,900
Full-Time Positions (FTP)	154.64	154.64	156.64	158.39	158.39

Division Description

The Department of Parks and Recreation was created by H138 of 1965. Before the creation of the department there existed areas designated scenic and recreational, usually parks and campgrounds. Between 1907 and 1947, these areas were administered by the State Land Board. In 1947, state parks were transferred to the Highway Department, and responsibility grew with the addition of a number of roadside rest areas. In 1949, control of the parks system was transferred back to the State Land Board, and in 1953 the Division of Parks was created within the Department of Lands, administered by a state parks director. The 1965 legislation created a separate Department of Parks and Recreation, governed by a six member parks board appointed by the Governor.

The department is organized and funded through three major programs: 1) Management Services includes fiscal support, pass-through grants for recreational programs, planning and development, information technology, registrations, and reservations; 2) Park Operations manages the 30 state parks and trails through six regions, and also manages boating and interpretive programs; and 3) Capital Development includes only the capital outlay appropriated for facility maintenance, repair, and construction.

Department of Parks and Recreation

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	156.64	4,217,700	43,217,600	156.64	4,217,700	43,217,600
Reappropriation	0.00	153,000	9,546,800	0.00	153,000	9,546,800
FY 2019 Total Appropriation	156.64	4,370,700	52,764,400	156.64	4,370,700	52,764,400
Removal of Onetime Expenditures	0.00	(1,018,000)	(17,258,700)	0.00	(1,018,000)	(17,258,700)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	156.64	3,352,700	35,505,700	156.64	3,352,700	35,505,700
Benefit Costs	0.00	4,900	22,400	0.00	(20,700)	(88,600)
Replacement Items	0.00	2,190,000	6,947,000	0.00	600,000	5,357,000
Statewide Cost Allocation	0.00	21,800	28,100	0.00	21,800	28,100
Change in Employee Compensation	0.00	20,500	113,300	0.00	56,900	261,700
FY 2020 Program Maintenance	156.64	5,589,900	42,616,500	156.64	4,010,700	41,063,900
1. Equity Pay Increase for Rangers	0.00	0	42,000	0.00	0	0
2. Lake Cascade Office FTP	1.00	0	43,500	1.00	0	43,500
3. Convert Part-Time to Full-Time	0.75	0	30,800	0.75	0	30,800
4. Thousand Springs Admin Center	0.00	0	825,000	0.00	0	825,000
5. Lake Cascade Accessibility Projects	0.00	0	432,000	0.00	0	432,000
6. Registration Pass-Through Funding	0.00	0	400,000	0.00	0	400,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	13,700
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	158.39	5,589,900	44,389,800	158.39	4,010,700	42,808,900
Change from Original Appropriation	1.75	1,372,200	1,172,200	1.75	(207,000)	(408,700)
% Change from Original Appropriation		32.5%	2.7%		(4.9%)	(0.9%)

Department of Parks and Recreation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	156.64	4,217,700	31,770,200	7,229,700	43,217,600

Reappropriation

The department was authorized by H687 of 2018 to reappropriate and carryover its unencumbered and unexpended appropriation balance from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the next year's base.

Agency Request	0.00	153,000	9,063,700	330,100	9,546,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>153,000</i>	<i>9,063,700</i>	<i>330,100</i>	<i>9,546,800</i>

FY 2019 Total Appropriation					
Agency Request	156.64	4,370,700	40,833,900	7,559,800	52,764,400
<i>Governor's Recommendation</i>	<i>156.64</i>	<i>4,370,700</i>	<i>40,833,900</i>	<i>7,559,800</i>	<i>52,764,400</i>

Removal of Onetime Expenditures

This adjustment removes amounts for replacement items and line items funded on a onetime basis in FY 2019, as well as \$9,546,800 for reappropriation.

Agency Request	0.00	(1,018,000)	(14,182,600)	(2,058,100)	(17,258,700)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(1,018,000)</i>	<i>(14,182,600)</i>	<i>(2,058,100)</i>	<i>(17,258,700)</i>

Base Adjustments

This adjustment shifts \$30,000 from the Miscellaneous Revenue Fund to the Recreational Fuels Fund to support the department's seasonal, temporary staff budget allocation in the Park Operations Program. The request nets to zero. The free fund cash balance on the Miscellaneous Revenue Fund is decreasing, while the Recreational Fuels Fund has cash available but lacks appropriation.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	156.64	3,352,700	26,651,300	5,501,700	35,505,700
<i>Governor's Recommendation</i>	<i>156.64</i>	<i>3,352,700</i>	<i>26,651,300</i>	<i>5,501,700</i>	<i>35,505,700</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	4,900	15,800	1,700	22,400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(20,700)</i>	<i>(60,800)</i>	<i>(7,100)</i>	<i>(88,600)</i>
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Replacement Items

Replacement items and alteration and repair projects include: \$2,615,000 for site development; \$1,895,000 for building improvements; \$52,600 for personal computer hardware; \$31,700 for server and storage hardware; \$53,000 for landscape equipment; \$405,000 for autos and light trucks; \$68,000 for small motorized equipment; \$600,000 to replace the Ritter Island Bridge, \$12,000 to rebuild a grader motor, \$145,000 to replace a tractor, \$1,055,000 for trail groomers and maintenance equipment, and \$14,700 for non-motorized equipment for a total of \$6,947,000. Of this amount, \$310,000 comes from federal funds, \$2,190,000 from the General Fund, \$1,695,500 from the Parks and Recreation Fund, \$319,500 from the Parks and Recreation Registration Fund, \$226,000 from the Parks and Recreation Enterprise Fund, and \$2,206,000 from the Recreational Fuels Fund.

Agency Request	0.00	2,190,000	4,447,000	310,000	6,947,000
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The Governor does not recommend any General Fund repair or replacement items with the exception of \$600,000 to replace the Ritter Island Bridge.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>600,000</i>	<i>4,447,000</i>	<i>310,000</i>	<i>5,357,000</i>
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Department of Parks and Recreation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$4,500, risk management costs will increase by \$27,400, State Controller fees will increase by \$4,800, and State Treasurer fees will increase by \$400, for a net increase of \$28,100.

Agency Request	0.00	21,800	6,300	0	28,100
Governor's Recommendation	0.00	21,800	6,300	0	28,100

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	20,500	84,200	8,600	113,300
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	56,900	184,600	20,200	261,700
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FY 2020 Program Maintenance

Agency Request	156.64	5,589,900	31,204,600	5,822,000	42,616,500
Governor's Recommendation	156.64	4,010,700	31,228,400	5,824,800	41,063,900

1. Equity Pay Increase for Rangers

Park Operations

The department requests \$42,000 ongoing from the Parks and Recreation Fund to raise all classified park ranger salaries an additional 2%. Classified ranger salaries were identified as an equity, recruitment, and retention issue by both department hiring managers and the Idaho Parks and Recreation (IDPR) Board. As of August 13, 2018, the average hourly pay rate for IDPR rangers which is classified under pay grade J, was \$18.72 versus the statewide average for pay grade J of \$20.41, a difference of \$1.69 or 9%. In 2018, the department reported a turnover rate for rangers at 21.4%, and anticipates this equity pay increase would reduce turnover. In FY 2019, the department requested \$71,000 between the Park Operations and Management Services Programs to provide enough personnel dollars to bring all employees up to 80% of policy, however this line item was not approved.

Agency Request	0.00	0	42,000	0	42,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Lake Cascade Office FTP

Park Operations

The department requests 1.00 FTP and \$43,500 from the Parks and Recreation Fund to hire an office specialist at the newly built Lake Cascade Office scheduled to open in the fall of 2018. This office specialist would provide visitor services, expenditure reconciliation and revenue processing, management of the park reservation system and resale program, and the supervision of seasonal staff. Lake Cascade State Park serves over 400,000 visitors each year, providing camping at multiple locations, recreational access to Lake Cascade, overnight facilities, and day-use areas. Located on the popular recreation corridor along Highway 55, the park has experienced an increase of 28% in visitations over the last two years, increasing park revenues by 13% over the same period. At the previous building, shared with the Bureau of Reclamation (BOR), a BOR office specialist provided many public facing duties as a benefit to the state parks but will no longer be able to perform those duties.

Agency Request	1.00	0	43,500	0	43,500
Governor's Recommendation	1.00	0	43,500	0	43,500

Department of Parks and Recreation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Convert Part-Time to Full-Time					Park Operations
<p>The department requests 0.75 FTP and \$30,800 in personnel costs from the dedicated Parks and Recreation Fund to convert three separate part-time positions that were reduced in FY 2011 as part of statewide budget cuts, to full-time. This request would create full-time positions as follows: 1) Dworshak State Park ranger. Dworshak State Park accommodates over 95,000 visitors annually and has seen camping use increase by 3% and cabin rentals increase by 12% in the past two years. In addition to the part-time park ranger, there is one park manager and a part-time (0.75 FTP) maintenance craftsman, who are responsible for maintaining boat docks, campsites, and visitation. The water level at Dworshak Reservoir often fluctuates by 20 feet throughout the day, requiring a park ranger to adjust docks multiple times each day to keep them afloat. 2) Bruneau Dunes State Park office specialist. In the past two years, visitation at Bruneau Dunes State Park has increased by 11%. This park has expanded its off-season use and is now considered a year-round destination for many visitors. Additionally, the popularity of the park's observatory and sandboard rentals have steadily increased the number of visitors. In addition to the part-time office specialist, there is one park manager and three full-time park rangers. 3) Three Island Crossing State Park maintenance craftsman. Campsite occupancy has increased 10% in the past two years placing additional demands upon staff to meet routine maintenance needs. In addition to the part-time maintenance craftsman, there is one park manager, one full-time park ranger, and a part-time (0.75 FTP) office specialist at the park.</p>					
Agency Request	0.75	0	30,800	0	30,800
<i>Governor's Recommendation</i>	<i>0.75</i>	<i>0</i>	<i>30,800</i>	<i>0</i>	<i>30,800</i>
4. Thousand Springs Admin Center					Capital Development
<p>The department requests \$825,000 onetime, split between \$600,000 from the sale of the Vardis Fisher property and \$225,000 from the federal Hagerman Fossil Beds Endowment through the National Parks Service (NPS), to build an administrative building shared between the Idaho Department of Parks and Recreation (IDPR) and the NPS. Additional sources of funding not in this line item include a request of \$1.2 million from the Permanent Building Fund (pending approval), \$355,000 from a Recreational Vehicle Grant (pending approval), and \$20,000 from the Hagerman Chamber of Commerce, bringing the total buildout cost to \$2.4 million. The total cost of the visitor center was estimated based on the cost per square foot of the recently built Lake Cascade visitor center. This line item only addresses the appropriation for the Vardis Fisher funds and federal NPS match as the remaining costs would be absorbed in the department's base trustee and benefit payments appropriation. Currently, the NPS has agreed to a 20-year lease at \$50,000 per year for the space they will use. This will be the only visitor center in the parks system with a guaranteed form of stable revenue independent of visitation. IDPR will also realize a reduction in operating costs due to shared staffing with NPS, estimated at approximately \$40,000 annually for the equivalent of full-time office specialist. Shared staffing with NPS will also allow the visitor center to have longer operating hours than would otherwise be possible with only IDPR employees. Thousand Springs State Park does not currently have a visitor center as it is spread out over five units (Malad, Billingsley, Ritter Island, Box Canyon, and Niagara Springs) and accompanying features such as the Kelton Trail or Crystal Lake along the Snake River. This visitor and administrative center would provide information for the various units of the Thousand Springs State Park that are all within a short drive or bicycle ride and highlight the new improvements being built in the Billingsley Creek Unit. Additionally, through partnering with NPS, the visitor center has the potential for a life-sized Woolly Mammoth and other interpretative exhibits not found within the IDPR system.</p> <p>In 2001, the department acquired the Emerald Valley Ranch and created the Billingsley Creek Unit as part of the greater Thousand Springs State Park along the Snake River, south of Bliss and north of Buhl. Billingsley Creek is north of Hagerman along Highway 30 and is currently in the process of development by the department. The total park development plan presented to the board estimated the project to cost \$12 million and be completed in phases over four years, with \$3,515,000 in onetime funds appropriated in FY 2019. Of the FY 2019 funding, \$60,000 was for preliminary design of this visitor center. [Onetime]</p> <p>Analyst Comment: The Permanent Building Fund Advisory Council met on November 2, 2018, and did not recommend funding for the new Thousand Springs Visitor and Administrative Center. In response, the department would need a total of \$1,555,000 from the Recreational Vehicle Advisory Committee.</p>					
Agency Request	0.00	0	600,000	225,000	825,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>600,000</i>	<i>225,000</i>	<i>825,000</i>

Department of Parks and Recreation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Lake Cascade Accessibility Projects			Capital Development		
The department requests a onetime appropriation of \$432,000 in federal Bureau of Reclamation (BOR) grants to provide ADA accessible features to three units of the Lake Cascade State Park: 1) at the Pelican Cove unit, \$52,000 would provide an ADA accessible fishing area including a new vault toilet restroom; 2) at the Blue Heron unit, \$346,800 would provide replacement docks with transitions that would be safely useable under ADA standards; and 3) at the Crown Point unit, \$170,000 would provide improved traffic flow, expanded parking, and replacement docks with transitions that would be safely useable under ADA standards. [Onetime]					
Agency Request	0.00	0	0	432,000	432,000
Governor's Recommendation	0.00	0	0	432,000	432,000
6. Registration Pass-Through Funding			Management Services		
The department requests \$400,000 in ongoing dedicated Parks and Recreation Registration Fund trustee and benefit payments to meet statutory requirements to distribute boat and snowmobile registration funds to county programs. Section 67-7013, Idaho Code, requires the department to remit boat registration money to county governments on a quarterly basis. There is currently \$2.35 million and \$1 million in the ongoing base appropriation for boat and snowmobile distributions, respectively. In FY 2018, actual money distributed to the counties exceeded the base appropriation by approximately \$100,000. FY 2019 appropriation was used to complete the required FY 2018 distribution which will result in a potentially greater shortage in FY 2019.					
Agency Request	0.00	0	400,000	0	400,000
Governor's Recommendation	0.00	0	400,000	0	400,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	13,700	0	13,700
Budget Law Exemptions			Management Services, Capital Development		
The agency requests the following language be included in its FY 2020 appropriation bill:					
EXEMPTIONS FROM PROGRAM TRANSFER LIMITATIONS. Notwithstanding Section 67-3511(1) and (2), Idaho Code, trustee and benefit payments appropriated for grants in the Management Services Program may be transferred to capital outlay in the Capital Development Program or to capital outlay in the Park Operations Program to reflect grants awarded to the Department of Parks and Recreation for the period July 1, 2019, through June 30, 2020. Legislative appropriations shall not be transferred from one fund to another unless expressly approved by the Legislature.					
REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Department of Parks and Recreation any unexpended and unencumbered balances appropriated or reappropriated to the Department of Parks and Recreation for the Capital Development Program for fiscal year 2019 to be used for nonrecurring expenditures in that program for the period July 1, 2019, through June 30, 2020.					
Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	158.39	5,589,900	32,320,900	6,479,000	44,389,800
Governor's Recommendation	158.39	4,010,700	32,316,400	6,481,800	42,808,900
Agency Request					
Change from Original App	1.75	1,372,200	550,700	(750,700)	1,172,200
% Change from Original App	1.1%	32.5%	1.7%	(10.4%)	2.7%
Governor's Recommendation					
Change from Original App	1.75	(207,000)	546,200	(747,900)	(408,700)
% Change from Original App	1.1%	(4.9%)	1.7%	(10.3%)	(0.9%)

Lava Hot Springs Foundation

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	2,316,500	2,142,200	2,312,300	2,492,700	2,495,000
Percent Change:		(7.5%)	7.9%	7.8%	7.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,348,400	1,269,700	1,349,600	1,363,400	1,364,300
Operating Expenditures	770,600	751,200	762,700	739,300	740,700
Capital Outlay	197,500	121,300	200,000	390,000	390,000
Total:	2,316,500	2,142,200	2,312,300	2,492,700	2,495,000
Full-Time Positions (FTP)	15.80	15.80	15.80	15.80	15.80

Division Description

Land administered by the Lava Hot Springs Foundation, consisting of 178 acres along the Portneuf River in Bannock County, was purchased from the tribal government by the federal government in 1902. Later that year, the federal government ceded the land to the state of Idaho, with the provision that the state reserve the land for public use under such regulation as the state may prescribe. The state created the foundation to manage the land. In 1962 and 1963, severe flooding damaged the foundation's swimming pools and hot baths. Subsequently, the foundation implemented a rebuilding program culminating in the construction of a new swimming pool recreation complex which was dedicated in August 1969.

Section 67-4401, Idaho Code, states that all rights to operate, manage, and control Lava Hot Springs are vested in the Lava Hot Springs Foundation. Such foundation shall consist of a five-member board, appointed by the Governor, on a staggered basis, for six-year terms. The foundation employs 13.80 FTP and about 58 part-time people in the summer when the large swimming pool is open. The 25-yard pool of the Olympic swimming complex and Kiddie Cove are enclosed and continue to operate during the winter months. The hot baths are open all year. The Lava Hot Springs Foundation is a self-sustaining financial operation with all operating revenues generated from hot baths and swimming pool entrance fees, swimsuit, towel and locker rentals, miscellaneous merchandise sales, and lease agreements.

Lava Hot Springs Foundation

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	15.80	0	2,312,300	15.80	0	2,312,300
Removal of Onetime Expenditures	0.00	0	(200,000)	0.00	0	(200,000)
Base Adjustments	0.00	0	(100,000)	0.00	0	(100,000)
FY 2020 Base	15.80	0	2,012,300	15.80	0	2,012,300
Benefit Costs	0.00	0	2,300	0.00	0	(9,300)
Replacement Items	0.00	0	90,000	0.00	0	90,000
Statewide Cost Allocation	0.00	0	36,600	0.00	0	36,600
Change in Employee Compensation	0.00	0	11,500	0.00	0	24,000
FY 2020 Program Maintenance	15.80	0	2,152,700	15.80	0	2,153,600
1. Hardscaping Main Entrance	0.00	0	40,000	0.00	0	40,000
2. Public Restroom Facility	0.00	0	300,000	0.00	0	300,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	1,400
FY 2020 Total	15.80	0	2,492,700	15.80	0	2,495,000
Change from Original Appropriation	0.00	0	180,400	0.00	0	182,700
% Change from Original Appropriation			7.8%			7.9%

Lava Hot Springs Foundation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	15.80	0	2,312,300	0	2,312,300
Removal of Onetime Expenditures					
This adjustment removes funding that was provided for onetime replacement items.					
Agency Request	0.00	0	(200,000)	0	(200,000)
Governor's Recommendation	0.00	0	(200,000)	0	(200,000)
Base Adjustments					
This adjustment reduces \$100,000 in the Lava Hot Springs Foundation Fund that was previously paid to the Idaho State Building Authority that financed the installation of water speed slides. The agency was granted the appropriation to make extra payments and pay off the capital lease sooner, and the final payment is expected to be made in FY 2019.					
Agency Request	0.00	0	(100,000)	0	(100,000)
Governor's Recommendation	0.00	0	(100,000)	0	(100,000)
FY 2020 Base					
Agency Request	15.80	0	2,012,300	0	2,012,300
Governor's Recommendation	15.80	0	2,012,300	0	2,012,300
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	0	2,300	0	2,300
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	0	(9,300)	0	(9,300)
Replacement Items					
Replacement items and alteration and repair projects include \$40,000 for eight pumps and motors and \$50,000 to repair or replace decks, for a total of \$90,000.					
Agency Request	0.00	0	90,000	0	90,000
Governor's Recommendation	0.00	0	90,000	0	90,000
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$900, risk management costs will increase by \$35,500, and State Controller fees will increase by \$2,000, for a net increase of \$36,600.					
Agency Request	0.00	0	36,600	0	36,600
Governor's Recommendation	0.00	0	36,600	0	36,600
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	11,500	0	11,500
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	24,000	0	24,000
FY 2020 Program Maintenance					
Agency Request	15.80	0	2,152,700	0	2,152,700
Governor's Recommendation	15.80	0	2,153,600	0	2,153,600

Lava Hot Springs Foundation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Hardscaping Main Entrance					
The agency requests \$40,000 in onetime dedicated funds for replacement hardscaping at the main entrance to the Olympic swimming complex. The current landscaping requires annual maintenance as pavers and bricks are dislodged during the freeze and thaw cycle in winter. It is anticipated that hardscaping the entrance could help reduce the annual maintenance. This entrance is also the main entrance for the greater Lava Hot Springs City, with the majority of visitors coming through this area off of the highway. [Onetime]					
Agency Request	0.00	0	40,000	0	40,000
Governor's Recommendation	0.00	0	40,000	0	40,000
2. Public Restroom Facility					
The agency requests \$300,000 onetime from the Lava Hot Springs Capital Improvement Fund to build a public restroom facility through the Division of Public Works (DPW). This request builds on a FY 2019 request of \$30,000 to complete a feasibility study on providing restrooms on premises. The agency is currently working with DPW to plan and design the facility, which will be approximately half of the size of a restroom previously built that is unheated and is closed during the winter. This previous facility was closer to utilities, but provided the basis for cost estimates on the construction of a new facility. It is possible that the restroom may be built with geothermal heat due to the proximity of the hot springs, however no estimates on associated costs have yet been gathered. [Onetime]					
Agency Request	0.00	0	300,000	0	300,000
Governor's Recommendation	0.00	0	300,000	0	300,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	1,400	0	1,400
FY 2020 Total					
Agency Request	15.80	0	2,492,700	0	2,492,700
Governor's Recommendation	15.80	0	2,495,000	0	2,495,000
Agency Request					
Change from Original App	0.00	0	180,400	0	180,400
% Change from Original App	0.0%		7.8%		7.8%
Governor's Recommendation					
Change from Original App	0.00	0	182,700	0	182,700
% Change from Original App	0.0%		7.9%		7.9%

Department of Water Resources

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Management & Support Services	2,938,300	2,748,600	2,900,300	3,188,400	3,184,500
Planning and Technical Services	12,081,400	11,164,500	12,222,400	12,228,300	12,273,000
Water Management	11,040,500	9,852,300	10,782,500	10,932,600	10,888,100
Northern Idaho Adjudication	551,600	515,800	556,600	573,200	576,100
Total:	26,611,800	24,281,200	26,461,800	26,922,500	26,921,700
BY FUND CATEGORY					
General	19,300,500	19,318,600	19,502,100	19,942,000	19,586,100
Dedicated	5,004,300	3,555,800	5,259,500	5,269,500	5,619,200
Federal	2,307,000	1,406,800	1,700,200	1,711,000	1,716,400
Total:	26,611,800	24,281,200	26,461,800	26,922,500	26,921,700
Percent Change:		(8.8%)	9.0%	1.7%	1.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	13,878,900	12,494,600	13,601,100	13,771,700	13,867,100
Operating Expenditures	6,401,200	4,986,200	6,585,700	6,791,400	6,799,200
Capital Outlay	449,700	918,400	393,000	450,900	346,900
Trustee/Benefit	882,000	882,000	882,000	908,500	908,500
Lump Sum	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total:	26,611,800	24,281,200	26,461,800	26,922,500	26,921,700
Full-Time Positions (FTP)	160.00	160.00	163.00	163.00	163.00

Department Description

The Office of the State Engineer was created in 1895 to administer provisions of the Carey Act. Over the years, additional laws expanded the agency's duties, particularly with the increasing value, development, and use of Idaho's limited water resources. As the agency saw its responsibilities grow, it also saw its name change several times. The agency became the Department of Reclamation in 1919; the State Reclamation Engineer in 1943; and the Department of Water Administration in 1970. Meanwhile, through amendment of the state constitution in 1964, the Water Resource Board was created to prepare the state water plan for optimum development of water resources in the public interest. The current name was the result of combining the Department of Water Administration with the Idaho Water Resource Board in 1974. The primary authority for the Department of Water Resources and its programs rests in Title 42, Idaho Code.

The department is divided into four major programs for budgeting purposes. 1) The Management and Support Services Program provides administrative, legal, and information system support for the department. 2) The Planning and Technical Services Division provides staff support for the Water Resource Board and provides planning and project management for water sustainability and aquifer stabilization, technical analysis, and ground water monitoring. 3) The Water Management Division provides water resource protection through inspection and regulatory programs, and provides water allocation services through permits and water distribution programs. The Snake River Basin Adjudication Program is responsible for completing a fair and accurate determination of the nature, extent, and priority of Snake River Basin water rights. Remaining responsibilities in this program were rolled into Water Management in the 2008 legislative session. 4) The Northern Idaho Adjudication Program is responsible for completing a fair and accurate determination of the nature, extent, and priority of the water rights north of the Snake River Basin.

The Energy Division provided financial assistance and technical assistance on energy conservation and alternative energy development issues. In 2008, it became a stand-alone agency in the Governor's Office.

Department of Water Resources

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	163.00	19,502,100	26,461,800	163.00	19,502,100	26,461,800
Removal of Onetime Expenditures	0.00	(476,200)	(571,700)	0.00	(476,200)	(571,700)
FY 2020 Base	163.00	19,025,900	25,890,100	163.00	19,025,900	25,890,100
Benefit Costs	0.00	38,500	53,800	0.00	(44,100)	(81,300)
Inflationary Adjustments	0.00	60,900	91,400	0.00	60,900	91,400
Replacement Items	0.00	245,000	269,200	0.00	165,000	189,200
Statewide Cost Allocation	0.00	89,100	94,900	0.00	89,100	94,900
Change in Employee Compensation	0.00	81,300	116,800	0.00	242,600	347,300
FY 2020 Program Maintenance	163.00	19,540,700	26,516,200	163.00	19,539,400	26,531,600
1. Aquifer Measuring and Monitoring	0.00	0	716,000	0.00	0	716,000
2. Software Application Development	0.00	177,800	177,800	0.00	0	177,800
3. VoIP Phone System Update	0.00	42,700	42,700	0.00	42,700	42,700
4. WiFi In Regional Offices	0.00	30,800	30,800	0.00	0	0
5. Data Entry Automation	0.00	1,000	6,000	0.00	0	6,000
6. Off-Site Disaster Recovery	0.00	149,000	149,000	0.00	4,000	149,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	14,600
Cash Transfers	0.00	0	(716,000)	0.00	0	(716,000)
FY 2020 Total	163.00	19,942,000	26,922,500	163.00	19,586,100	26,921,700
Change from Original Appropriation	0.00	439,900	460,700	0.00	84,000	459,900
% Change from Original Appropriation		2.3%	1.7%		0.4%	1.7%

Department of Water Resources

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	163.00	19,502,100	5,259,500	1,700,200	26,461,800

Removal of Onetime Expenditures

This adjustment removes funding that was provided for onetime costs such as replacement items, database software, VOIP phones, and office supplies.

Agency Request	0.00	(476,200)	(95,500)	0	(571,700)
Governor's Recommendation	0.00	(476,200)	(95,500)	0	(571,700)

FY 2020 Base	163.00	19,025,900	5,164,000	1,700,200	25,890,100
Governor's Recommendation	163.00	19,025,900	5,164,000	1,700,200	25,890,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	38,500	13,500	1,800	53,800
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(44,100)	(35,100)	(2,100)	(81,300)
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Inflationary Adjustments

Inflationary adjustments include \$54,500 for general inflation and \$36,900 for contract inflation for a total of \$91,400. General inflation includes \$3,400 for communication costs, \$1,000 for employee development costs, \$2,500 for professional services, \$2,400 for repair and maintenance services, \$1,200 for computer services, \$8,300 for employee travel costs, \$100 for administrative supplies, \$3,400 for fuel and lubricant costs, \$3,000 for computer supplies, \$1,000 for specific use supplies, \$600 for insurance, \$1,100 for rentals and operating leases, and \$26,500 for trustee and benefit payments that are used for stream gaging work done in conjunction with the U.S. Geological Survey.

Contract inflation includes \$32,100 for a 2.2% increase for rent at the Idaho Water Center located in Boise, \$1,200 for a 2% increase in rent at the northern regional office, \$1,600 for a 1.6% increase in rent at the western regional office, and \$2,000 for a 1.9% increase in rent at the southern regional office.

Agency Request	0.00	60,900	26,000	4,500	91,400
Governor's Recommendation	0.00	60,900	26,000	4,500	91,400

Replacement Items

Replacement items include \$120,000 for 40 computers, \$49,200 for server and network equipment, \$80,000 for two light trucks, \$10,000 for furniture, and \$10,000 to replace a flowmeter, for a total of \$269,200. Of this, \$245,000 is from the General Fund, \$10,000 is from the Water Administration Fund, and \$14,200 is from the Indirect Cost Recovery Fund. [Onetime]

Agency Request	0.00	245,000	24,200	0	269,200
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The Governor does not recommend the replacement of a pickup with 131,500 miles (\$40,000) or an SUV with 104,000 miles (\$40,000).

Governor's Recommendation	0.00	165,000	24,200	0	189,200
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$71,500, risk management costs will increase by \$14,000, State Controller fees will increase by \$9,200, and State Treasurer fees will increase by \$200, for a net increase of \$94,900.

Agency Request	0.00	89,100	5,800	0	94,900
Governor's Recommendation	0.00	89,100	5,800	0	94,900

Department of Water Resources

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	81,300	31,000	4,500	116,800
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	242,600	91,800	12,900	347,300
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FY 2020 Program Maintenance

Agency Request	163.00	19,540,700	5,264,500	1,711,000	26,516,200
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Governor's Recommendation	163.00	19,539,400	5,276,700	1,715,500	26,531,600
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1. Aquifer Measuring and Monitoring

Planning and Technical Services

The Idaho Water Resource Board (IWRB) requests that \$716,000 be transferred from the continuously appropriated Revolving Development Fund to the Aquifer Planning and Management Fund. The IWRB has committed these funds by resolution dated May 16, 2014 for the purpose of aquifer monitoring, measurement, and modeling. The funds will be used in the Eastern Snake Plain Aquifer, Wood River Valley, Treasure Valley, Rathdrum Prairie, Palouse, Lewiston, and other aquifers. Moneys will be used to maintain and enhance the Eastern Snake Plain Aquifer groundwater model and the Rathdrum Prairie Aquifer groundwater model, and to continue the development of the Wood River Valley groundwater model and the Treasure Valley groundwater model. The source of the money is from the ninth year of loan repayments from groundwater users for purchase of the water rights at Pristine Springs, near the city of Twin Falls (original \$10 million General Fund appropriation in S1511 of 2008). The original \$10 million, ten-year, 4% loan was refinanced in January 2012 in the amount of \$7.5 million for 15 years at 4.876%. The Aquifer Planning and Management Fund has a \$1.26 million base appropriation. This appropriation is requested to move cash into the fund. [Onetime cash transfer]

Agency Request	0.00	0	716,000	0	716,000
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Governor's Recommendation	0.00	0	716,000	0	716,000
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2. Software Application Development

Management and Support Services

The department requests \$177,800 onetime from the General Fund to hire software application development contractors to augment the current programming staff. Much of their work would either improve application accuracy and functionality, or rewrite applications that are dependent on old versions of software that are no longer supported by the parent company. The department reports that the current staff of four developers lack the resources to maintain the current applications while developing the platform's long-term needs and public-facing web-based applications. Since September 2016, the agency has hired three senior programmers out of the four total positions, losing two to retirement and one to the private sector. Hiring developers and database administrators internally has been difficult as the demand for experienced developers exceeds market supply, with the hiring process generally lasting four to six months on these positions. The department reports that there are over 70 documented requests from staff for bug fixes in applications and approximately 20 requests for upgrades or enhancements to existing legacy systems to enhance efficiency. This request would mirror the funding granted in FY 2018 that provided similar work for the department through statewide contracting of IT services. The dollar amount is the equivalent of a software engineer at \$83.08/hour for 2,080 hours, plus \$5,000 for software licenses used for coding. [Onetime]

Agency Request	0.00	177,800	0	0	177,800
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Recommended by the Governor from the Technology Infrastructure Stabilization Fund.

Governor's Recommendation	0.00	0	177,800	0	177,800
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Department of Water Resources

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. VoIP Phone System Update					
Water Management					
This request includes \$42,700 to replace phone systems in the northern and western regional offices with CISCO VOIP and integrated email system through the Office of Information Technology Services. As the final portion of a three year plan, this request would allow the department to have a single phone technology system. This request includes \$12,000 ongoing for increased bandwidth to support the additional traffic from VOIP phones, \$1,700 ongoing for an external fax line, \$12,700 onetime for physical phones, \$12,500 for licenses (\$9,100 of which would be onetime), and \$3,800 for maintenance. [\$21,800 Onetime]					
Agency Request	0.00	42,700	0	0	42,700
Governor's Recommendation	0.00	42,700	0	0	42,700
4. WiFi In Regional Offices					
Water Management					
The department requests a total of \$30,800 from the General Fund to create wireless internet networks at its four regional offices. Funding was requested in FY 2019 to get access for the eastern and southern regional offices, however this was not approved. According to the department, employees and visitors for contested hearing cases have utilized the wireless networks at the state office (approved in the FY 2018 budget) and no longer have to go to venues with public WiFi to view and upload data. The ongoing portion of this request (\$3,200) is for maintenance of the wireless access points by department IT staff. Of the onetime portion of this request, \$3,600 would provide wiring from the access point to the wireless switch and \$24,000 would provide the wireless access points. [\$27,600 Onetime]					
Agency Request	0.00	30,800	0	0	30,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. Data Entry Automation					
Management and Support Services					
The department requests a total of \$6,000 to purchase software named UI Path to allow for automated entry of data collected by field staff. Of this amount, \$1,000 from the General Fund would provide the ongoing software maintenance and updates, and \$5,000 onetime from the Indirect Cost Recovery Fund would purchase the initial software license. The department field staff used an application developed internally to collect over 6,000 records of data on water rights, well construction inspections, measurement device inspections, water district information, and groundwater monitoring. These datasets are collected electronically on mobile devices, but under the current workflow must then be manually entered into a separate internal application that then uses the data to build reports. Staff have conducted a pilot project using a free trial of UI Path to demonstrate that the software would adequately bridge the data collection program and the application consuming the data. [\$5,000 Onetime]					
Agency Request	0.00	1,000	5,000	0	6,000
<i>Recommended by the Governor from the Indirect Cost Recovery Fund.</i>					
Governor's Recommendation	0.00	0	6,000	0	6,000

Department of Water Resources

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
6. Off-Site Disaster Recovery		Management and Support Services			
The department requests a total of \$149,000 from the General Fund to purchase hardware and software necessary to implement remote disaster recovery procedures, as required by Executive Order 2014-07. Under the Continuity of Operations Plan (COOP) developed with the Idaho Office of Emergency Management, the department's goal is to have Tier 1 (the most critical) functions restored to operating status within 12 hours of a disaster. Tier 1 functions that the department are responsible for include dam safety, ground and drinking water protection, National Flood Insurance Program data, Geospatial Information Systems (GIS) for emergency map needs, and public communications. To get Tier 1 functions up and running requires operational IT infrastructure including servers, access to data and internal applications, computers, and both internet and phone communications. Under the COOP, the department anticipates a remote disaster recovery site located at one of the regional offices or taking advantage of the state's Enterprise Services Consolidation Strategy by utilizing an Office of Information Technology Services facility. Of this request, \$4,000 is ongoing for annual payments for storage appliances, \$100,000 onetime would purchase an off-site clone of the current production server cluster, \$25,000 onetime would purchase Windows standalone servers, and \$20,000 onetime would purchase storage appliances to create a suite of server capacity that could easily be set up to continue operations in the event of a disaster. [\$145,000 Onetime]					
Agency Request	0.00	149,000	0	0	149,000
<i>Recommended by the Governor with onetime costs funded through the Technology Infrastructure Stabilization Fund.</i>					
Governor's Recommendation	0.00	4,000	145,000	0	149,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	13,700	900	14,600
Cash Transfers		Planning and Technical Services			
The following language reflects the cash transfers as requested. If approved, the language below will be included in the appropriation bill.					
DEDICATED FUND CASH TRANSFER. There is hereby appropriated to the Department of Water Resources and the State Controller shall transfer \$716,000 from the Revolving Development Fund to the Aquifer Planning and Management Fund, on July 1, 2019, or as soon thereafter as practicable, for the period July 1, 2019, through June 30, 2020.					
GENERAL FUND CASH TRANSFER. Of the amount appropriated to the Department of Water Resources in Section 1 of this act for the Planning and Technical Services Program from the General Fund for lump sum, the State Controller shall transfer \$5,000,000 to the Secondary Aquifer Planning, Management and Implementation Fund, on July 1, 2019, or as soon thereafter as practicable, for the period July 1, 2019, through June 30, 2020.					
Agency Request	0.00	0	(716,000)	0	(716,000)
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	(716,000)	0	(716,000)
FY 2020 Total					
Agency Request	163.00	19,942,000	5,269,500	1,711,000	26,922,500
Governor's Recommendation	163.00	19,586,100	5,619,200	1,716,400	26,921,700
Agency Request					
Change from Original App	0.00	439,900	10,000	10,800	460,700
% Change from Original App	0.0%	2.3%	0.2%	0.6%	1.7%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	84,000	359,700	16,200	459,900
% Change from Original App	0.0%	0.4%	6.8%	1.0%	1.7%

Idaho Legislative Budget Book

Economic Development

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Economic Development

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Idaho Legislative Budget Book

Department of Agriculture

2019 Legislative Session

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Department of Agriculture

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Agriculture, Dept of	45,149,500	33,286,800	44,815,300	44,800,200	44,964,400
Soil and Water Conservation	3,150,900	3,199,400	3,324,400	3,692,300	3,435,200
Total:	48,300,400	36,486,200	48,139,700	48,492,500	48,399,600
BY FUND CATEGORY					
General	14,634,200	12,982,100	14,506,100	14,968,500	14,738,700
Dedicated	26,255,600	18,486,600	27,008,000	26,873,200	26,989,800
Federal	7,410,600	5,017,500	6,625,600	6,650,800	6,671,100
Total:	48,300,400	36,486,200	48,139,700	48,492,500	48,399,600
Percent Change:		(24.5%)	31.9%	0.7%	0.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	26,256,700	21,642,800	26,796,700	27,352,300	27,485,100
Operating Expenditures	11,139,300	7,353,200	11,148,100	11,344,600	11,398,900
Capital Outlay	1,079,600	871,800	1,602,800	923,500	923,500
Trustee/Benefit	8,824,800	6,618,400	8,592,100	8,872,100	8,592,100
Lump Sum	1,000,000	0	0	0	0
Total:	48,300,400	36,486,200	48,139,700	48,492,500	48,399,600
Full-Time Positions (FTP)	228.75	232.75	238.75	242.00	241.75

Department Description

The Department of Agriculture contains the budget for nine programs. Eight of these programs are appropriated together: Administration, Animal Industries, Agricultural Resources, Plant Industries, Agricultural Inspections, Marketing and Development, Animal Damage Control, and the Sheep and Goat Health Board. The Soil and Water Conservation Commission's budget is developed and submitted by the commission's five-member board and is appropriated in a separate appropriation bill.

Department of Agriculture

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	2,996,100	2,480,100	3,433,900	2,965,300	2,983,600
Animal Industries	6,051,000	4,950,100	6,156,500	6,269,800	6,316,200
Agricultural Resources	3,768,400	2,942,500	3,806,000	3,779,000	3,815,700
Plant Industries	15,316,900	11,140,300	14,958,000	14,952,400	15,008,700
Agricultural Inspections	12,673,800	9,039,100	12,400,000	12,786,300	12,787,600
Market Development	3,615,800	2,231,300	3,450,600	3,435,500	3,440,900
Animal Damage Control	547,100	431,200	431,400	431,400	431,400
Sheep and Goat Health Board	180,400	72,200	178,900	180,500	180,300
Total:	45,149,500	33,286,800	44,815,300	44,800,200	44,964,400
BY FUND CATEGORY					
General	11,899,300	10,233,600	11,846,900	11,950,000	11,995,000
Dedicated	25,882,100	18,172,300	26,631,900	26,483,500	26,585,900
Federal	7,368,100	4,880,900	6,336,500	6,366,700	6,383,500
Total:	45,149,500	33,286,800	44,815,300	44,800,200	44,964,400
Percent Change:		(26.3%)	34.6%	0.0%	0.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	24,839,900	20,143,700	25,141,300	25,659,800	25,798,100
Operating Expenditures	10,749,000	7,017,400	10,736,000	10,904,600	10,930,500
Capital Outlay	989,000	760,500	1,599,100	896,900	896,900
Trustee/Benefit	7,571,600	5,365,200	7,338,900	7,338,900	7,338,900
Lump Sum	1,000,000	0	0	0	0
Total:	45,149,500	33,286,800	44,815,300	44,800,200	44,964,400
Full-Time Positions (FTP)	211.00	211.00	217.00	220.00	220.00

Division Description

The mission of the Idaho State Department of Agriculture is to guarantee that Idaho agricultural products are of high quality, disease-free, and meet federal and state laws, rules, and regulations. The department protects consumers and producers from fraud and provides marketing assistance to the industry. There are eight budgeted programs. 1) The Administration Program coordinates the accounting, payroll, legal, and personnel functions. 2) Animal Industries is responsible for veterinary services, range management, dairy laboratory and dairy inspection, animal laboratory, livestock inspection, egg inspection, and animal waste management. 3) Agricultural Resources protects the public health, environment, livestock, and wildlife of the state from possible adverse effects resulting from the improper use of pesticides and fertilizers. 4) Plant Industries includes the plant, fertilizer, and seed laboratories and programs, noxious weeds, the Honey Commission, and the Invasive Species Program. 5) Agricultural Inspections includes the Bureau of Shipping Point Inspections, the Bureau of Warehouse Control, the Retail Potato Program, Hops Program, Organic Foods Program, and the Bureau of Weights and Measures. 6) The Marketing and Development Program assists Idaho food producers to increase their profitability by enhancing the marketing opportunities for their products. 7) The United States Department of Agriculture's Animal and Plant Health Inspection Service, Wildlife Services Program operates in Idaho under a memorandum of understanding with the Idaho State Animal Damage Control Board. 8) The Sheep and Goat Health Board provides a comprehensive program involving disease and predator control. The program enables the sheep and goat industries to maintain high production standards and economic returns.

Department of Agriculture

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	217.00	11,846,900	44,815,300	217.00	11,846,900	44,815,300
Pest Control Deficiency Warrants	0.00	140,200	140,200	0.00	140,200	140,200
Cash Transfers & Adjustments	0.00	(140,200)	(140,200)	0.00	(140,200)	(140,200)
FY 2019 Total Appropriation	217.00	11,846,900	44,815,300	217.00	11,846,900	44,815,300
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	217.00	11,846,900	44,815,300	217.00	11,846,900	44,815,300
Removal of Onetime Expenditures	0.00	(33,700)	(1,599,100)	0.00	(33,700)	(1,599,100)
Base Adjustments	0.00	0	(24,900)	0.00	0	(24,900)
FY 2020 Base	217.00	11,813,200	43,191,300	217.00	11,813,200	43,191,300
Benefit Costs	0.00	18,100	68,500	0.00	(28,800)	(156,600)
Replacement Items	0.00	0	855,600	0.00	0	855,600
Statewide Cost Allocation	0.00	17,600	67,200	0.00	17,600	67,200
Change in Employee Compensation	0.00	47,300	196,200	0.00	139,200	560,000
FY 2020 Program Maintenance	217.00	11,896,200	44,378,800	217.00	11,941,200	44,517,500
1. Seed Analyst FTP	1.00	0	72,200	1.00	0	72,100
2. Weights & Measures Inspector	1.00	53,800	116,600	1.00	53,800	116,500
3. Animal Health Lab FTP	1.00	0	57,600	1.00	0	57,400
4. Livestock Disease Control Increase	0.00	0	175,000	0.00	0	175,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	25,900
FY 2020 Total	220.00	11,950,000	44,800,200	220.00	11,995,000	44,964,400
Change from Original Appropriation	3.00	103,100	(15,100)	3.00	148,100	149,100
% Change from Original Appropriation		0.9%	0.0%		1.3%	0.3%

Department of Agriculture

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	217.00	11,846,900	26,631,900	6,336,500	44,815,300

Pest Control Deficiency Warrants

Plant Industries

The department requests \$140,200 from the General Fund to reimburse actual expenditures incurred in FY 2018 for exotic or invasive species monitoring and control including potato cyst nematode, Japanese Beetle, and other exotic pests. The existence of exotic or invasive pests in the state, and the lack of information about the distribution of those pests, can cause economic losses to the public by the direct effects of the pests and the placement of quarantines and import restrictions by other states and countries. These programs are carried out under the deficiency warrant authority provided in Chapters 19 and 20, Title 22, Idaho Code. Grasshopper and Mormon Cricket control continue to be covered by a federal grant, which has a free fund balance of \$417,600, which is anticipated to cover an additional year at current usage. FY 2018 costs included \$21,500 for exotic pest monitoring and \$118,700 for Japanese Beetle treatment. [Onetime]

Agency Request	0.00	140,200	0	0	140,200
Governor's Recommendation	0.00	140,200	0	0	140,200

Cash Transfers & Adjustments

Plant Industries

This adjustment transfers General Fund cash to the Pest Deficiency Warrant Fund where actual costs were incurred.

Agency Request	0.00	(140,200)	0	0	(140,200)
Governor's Recommendation	0.00	(140,200)	0	0	(140,200)

FY 2019 Total Appropriation

Agency Request	217.00	11,846,900	26,631,900	6,336,500	44,815,300
Governor's Recommendation	217.00	11,846,900	26,631,900	6,336,500	44,815,300

Noncognizable Funds and Transfers

Animal Industries, Plant Industries

The department request the transfer of 0.50 FTP from the Plant Industries Program to the Egg Program in the Animal Industries budgeted program to align FTP with program needs.

Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Estimated Expenditures

Agency Request	217.00	11,846,900	26,631,900	6,336,500	44,815,300
Governor's Recommendation	217.00	11,846,900	26,631,900	6,336,500	44,815,300

Removal of Onetime Expenditures

This adjustment removes onetime funding that was provided for costs such as replacement items and office supplies.

Agency Request	0.00	(33,700)	(1,565,400)	0	(1,599,100)
Governor's Recommendation	0.00	(33,700)	(1,565,400)	0	(1,599,100)

Base Adjustments

This adjustment removes \$24,900 traditionally collected from publishing the U.S. Department of Agriculture's National Agricultural Statistics Service Bulletin. This publication has been transferred to an online report and the sales of the manual bulletin have effectively ended, with no revenue or expenditures in this fund since FY 2016.

This request also transfers 1.00 FTP from the Sheep and Goat Health Board to Animal Industries as the department is now conducting inspections on behalf of the Sheep and Goat Health Board to avoid hiring a full-time inspector and save funds that would be used on personnel costs.

Agency Request	0.00	0	(24,900)	0	(24,900)
Governor's Recommendation	0.00	0	(24,900)	0	(24,900)

Department of Agriculture

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Base					
Agency Request	217.00	11,813,200	25,041,600	6,336,500	43,191,300
Governor's Recommendation	217.00	11,813,200	25,041,600	6,336,500	43,191,300

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	18,100	47,000	3,400	68,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(28,800)	(120,700)	(7,100)	(156,600)
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Replacement Items

Replacement items include \$153,200 for 66 computers with monitors, \$28,500 for network equipment and software, \$350,400 for eight vehicles and associated accessories, \$130,000 for a ten-wheel truck with 188,000 miles on it, and \$193,500 to replace various specific use scientific instruments, for a total of \$855,600.

ADMINISTRATION PROGRAM: \$58,800 from the Administration and Accounting Services Fund.

ANIMAL INDUSTRIES PROGRAM: \$102,500 from the Livestock Disease Control Fund, \$4,400 from federal funds, and \$118,200 from the Dairy Fund, for a total of \$225,100 for this program.

AGRICULTURAL RESOURCES PROGRAM: \$62,100 from the Pesticides Fund.

PLANT INDUSTRIES PROGRAM: \$58,500 from the Agricultural Inspection Fund, \$4,200 from federal funds, \$43,500 from the Feed and Fertilizer Fund, \$4,000 from the Quality Assurance Laboratory Services Fund, and \$7,200 from the Invasive Species Fund for a total of \$117,400 for this program.

AGRICULTURAL INSPECTIONS: \$317,700 from the Weights and Measures Fund, \$32,400 from the Organic Food Fund, and \$37,900 from the Fresh Fruit and Vegetable Inspection Fund for a total of \$388,000 for this program.

MARKET DEVELOPMENT: \$4,200 from the Agricultural Inspection Fund.

Agency Request	0.00	0	847,000	8,600	855,600
Governor's Recommendation	0.00	0	847,000	8,600	855,600

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$5,200, risk management costs will increase by \$59,700, State Controller fees will increase by \$11,300, and State Treasurer fees will increase by \$300, for a net increase of \$66,100.

This request also includes \$1,100 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.

Agency Request	0.00	17,600	49,600	0	67,200
Governor's Recommendation	0.00	17,600	49,600	0	67,200

Department of Agriculture

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	47,300	130,700	18,200	196,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	139,200	375,300	45,500	560,000
FY 2020 Program Maintenance					
Agency Request	217.00	11,896,200	26,115,900	6,366,700	44,378,800
Governor's Recommendation	217.00	11,941,200	26,192,800	6,383,500	44,517,500
1. Seed Analyst FTP			Plant Industries		
The department requests 1.00 FTP and a total of \$72,200 from the Agricultural Inspection Fund to hire an additional senior seed analyst at the Seed Lab. In the last five years the number of Seed Lab samples has increased by 187%. Last year alone, sample numbers increased by another 27% from 4,592 to 5,845. The department has been using overtime, staff from other sections, and temporary employees to keep up with workload, however this has required staff to continually train the new temporary help and has reduced productivity. Further, due to the large number of samples, the turn around time to customers increased 33%. The Montana State Seed Lab was contacted by the department to discuss outsourcing samples should turn around time become too lengthy for customers. Should this line item be granted, the department still anticipates using assistance from other lab scientists during busy testing seasons. [\$5,200 onetime]					
Agency Request	1.00	0	72,200	0	72,200
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	72,100	0	72,100
2. Weights & Measures Inspector			Agricultural Inspections		
The department requests 1.00 FTP and a total of \$116,600 split between the General Fund (\$53,800) and the Weights and Measures Inspection Fund (\$62,800) to hire an additional investigator located in the Coeur d'Alene area. Of this amount, \$65,200 is for personnel costs, \$36,100 in capital outlay to purchase a truck and office equipment, and \$15,300 in operating expenditures for training and travel. Due to the growth in northern Idaho, numerous new gas pumps, scale devices, and other regulated devices have been installed. This growth has resulted in 279 businesses and over 3,800 devices not being inspected in 2018. [\$36,100 onetime]					
Agency Request	1.00	53,800	62,800	0	116,600
<i>Recommended by the Governor with changes for benefits and compensation and all from the General Fund as onetime. The Governor directs the department to begin the process of raising fees and shifting all of this position onto dedicated funds for FY 2021.</i>					
Governor's Recommendation	1.00	53,800	62,700	0	116,500
3. Animal Health Lab FTP			Animal Industries		
The department requests 1.00 FTP and \$57,600 from the Livestock Disease Control Fund to hire a technical records specialist. In the last three years, the number of samples sent to the Animal Health Lab (AHL) has increased by 35%, due primarily to increased regulatory disease testing. The AHL currently has one full-time technical records specialist and one temporary part-time office specialist. However, due to the complexity of the operation and volume of work, the department has been unable to retain a technical records specialist for the full-time position for over two years. The department expects to replace the part-time office specialist with this full-time specialist, and reallocate the temporary part-time specialist to help process samples in the lab.					
Agency Request	1.00	0	57,600	0	57,600
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	57,400	0	57,400

Department of Agriculture

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Livestock Disease Control Increase					Animal Industries
<p>The department requests \$175,000 ongoing from the Livestock Disease Control Fund for additional temporary staff and lab supplies at the Animal Health Lab (AHL). Of this, \$75,000 is in personnel costs to pay temporary and full-time staff, and \$100,000 is in operating expenditures which would provide for travel, testing supplies, and training for sheep inspections. A large portion of projected increases in services to the AHL is from the Sheep Commission, which will be contracting with the AHL for testing and inspections. In addition, the department anticipates increased regulatory testing resulting from the Caviness/Simplot beef processing plant in Kuna, creating the need for additional lab tests and increased costs for lab supplies. Due to the increase in services, dedicated revenues have gone from \$83,800 in FY 2010 to \$397,400 in FY 2018, with expenditures also increasing similarly.</p>					
Agency Request	0.00	0	175,000	0	175,000
Governor's Recommendation	0.00	0	175,000	0	175,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<p>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</p>					
Governor's Recommendation	0.00	0	25,900	0	25,900
FY 2020 Total					
Agency Request	220.00	11,950,000	26,483,500	6,366,700	44,800,200
Governor's Recommendation	220.00	11,995,000	26,585,900	6,383,500	44,964,400
Agency Request					
Change from Original App	3.00	103,100	(148,400)	30,200	(15,100)
% Change from Original App	1.4%	0.9%	(0.6%)	0.5%	0.0%
Governor's Recommendation					
Change from Original App	3.00	148,100	(46,000)	47,000	149,100
% Change from Original App	1.4%	1.3%	(0.2%)	0.7%	0.3%

Soil and Water Conservation Commission

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	2,734,900	2,748,500	2,659,200	3,018,500	2,743,700
Dedicated	373,500	314,300	376,100	389,700	403,900
Federal	42,500	136,600	289,100	284,100	287,600
Total:	3,150,900	3,199,400	3,324,400	3,692,300	3,435,200
Percent Change:		1.5%	3.9%	11.1%	3.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,416,800	1,499,100	1,655,400	1,692,500	1,687,000
Operating Expenditures	390,300	335,800	412,100	440,000	468,400
Capital Outlay	90,600	111,300	3,700	26,600	26,600
Trustee/Benefit	1,253,200	1,253,200	1,253,200	1,533,200	1,253,200
Total:	3,150,900	3,199,400	3,324,400	3,692,300	3,435,200
Full-Time Positions (FTP)	17.75	21.75	21.75	22.00	21.75

Division Description

The Legislature transferred the Soil and Water Conservation Commission from the Department of Lands to the Department of Agriculture effective July 1, 1997. The commission's five members are appointed to staggered five-year terms by the Governor to assist the 50 Soil and Water Conservation Districts (SWCDs), in accordance with Section 22-2718, Idaho Code. The commission's mission is to facilitate coordinated non-regulatory, voluntary, and locally-led conservation by federal, state, and local governments including Idaho's conservation districts and other partners; in order to conserve, sustain, improve, and enhance soil, water, air, plant and animal resources.

The responsibilities of the commission are to:

1. Provide technical assistance to owners and operators of private lands for the planning, implementation, and evaluation of agricultural Best Management Practices (BMPs).
2. Support local districts in the wise use and enhancement of soil, water, and related resources; and assist districts in the coordination of public outreach activities and offer technical and financial resources.
3. Offer assistance to districts in carrying out their powers and programs, and allocate state funds to districts to assist with conservation projects.
4. Inform district supervisors of actions and priorities of other districts to facilitate a sharing of information and to promote cooperation.
5. Develop the agricultural component of Total Maximum Daily Load (TMDL) water quality watershed implementation plans in consultation with districts and watershed advisory groups.
6. Provide technical and administrative assistance to districts and watershed advisory groups for TMDL planning and implementation.
7. Coordinate the periodic review and update of the Idaho Agricultural Pollution Plan (Ag Plan) in consultation with the Ag Plan advisory committee. Implement the Ag Plan for private and state agricultural lands.
8. Administer the Resource Conservation and Rangeland Development Program providing low interest conservation loans.
9. Administer, jointly with the Idaho State Department of Agriculture (ISDA), the Agricultural Water Quality Cost-Share Program for Idaho; and secure the cooperation and assistance of federal and state agencies.
10. Lead state efforts on the Conservation Reserve Enhancement Program (CREP), which offers federal financial incentives to landowners to reduce ground water consumption by taking farm ground out of production.
11. Assist the Idaho Department of Environmental Quality in administering a nonpoint source water quality loan under the State Revolving Fund Program.
12. Promote implementation of water quality projects across the state to maintain and enhance ground water quality.
13. Promote the Idaho OnePlan effort as the primary computer-based conservation planning process for all natural resource concerns.

Soil and Water Conservation Commission

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	21.75	2,659,200	3,324,400	21.75	2,659,200	3,324,400
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	21.75	2,659,200	3,324,400	21.75	2,659,200	3,324,400
Removal of Onetime Expenditures	0.00	(3,200)	(3,700)	0.00	(3,200)	(3,700)
Base Adjustments	0.00	0	(9,000)	0.00	0	(9,000)
FY 2020 Base	21.75	2,656,000	3,311,700	21.75	2,656,000	3,311,700
Benefit Costs	0.00	4,500	6,100	0.00	(7,400)	(10,300)
Inflationary Adjustments	0.00	400	700	0.00	400	700
Replacement Items	0.00	26,600	26,600	0.00	26,600	26,600
Statewide Cost Allocation	0.00	25,000	36,200	0.00	24,000	34,900
Change in Employee Compensation	0.00	10,300	14,000	0.00	30,900	41,900
FY 2020 Program Maintenance	21.75	2,722,800	3,395,300	21.75	2,730,500	3,405,500
1. Financial Specialist to Full-Time	0.25	15,700	17,000	0.00	0	0
2. District Allocation Increase	0.00	280,000	280,000	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	2,000
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	11,400
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	13,200	16,300
FY 2020 Total	22.00	3,018,500	3,692,300	21.75	2,743,700	3,435,200
Change from Original Appropriation	0.25	359,300	367,900	0.00	84,500	110,800
% Change from Original Appropriation		13.5%	11.1%		3.2%	3.3%

Soil and Water Conservation Commission

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	21.75	2,659,200	376,100	289,100	3,324,400

Noncognizable Funds and Transfers

This adjustment shifts 0.03 FTP from the General Fund to the Resource Conservation and Rangeland Development Fund to align FTP with work performed.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	21.75	2,659,200	376,100	289,100	3,324,400
Governor's Recommendation	21.75	2,659,200	376,100	289,100	3,324,400

Removal of Onetime Expenditures

This adjustment removes amounts for replacement items and line items funded on a onetime basis in FY 2019.

Agency Request	0.00	(3,200)	(500)	0	(3,700)
Governor's Recommendation	0.00	(3,200)	(500)	0	(3,700)

Base Adjustments

This adjustment removes \$9,000 in federal funds to correct for an overstatement in anticipated Natural Resource Conservation Service grant funding as the 10% overhead to cover administrative and operating expenditures did not extend to all of the services the agency originally expected.

Agency Request	0.00	0	0	(9,000)	(9,000)
Governor's Recommendation	0.00	0	0	(9,000)	(9,000)

FY 2020 Base					
Agency Request	21.75	2,656,000	375,600	280,100	3,311,700
Governor's Recommendation	21.75	2,656,000	375,600	280,100	3,311,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	4,500	600	1,000	6,100
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(7,400)	(1,100)	(1,800)	(10,300)

Inflationary Adjustments

The agency requests \$400 from the General Fund, \$200 from the Resource Conservation and Rangeland Development Fund, and \$100 in federal funds to pay for a 1.38% increase in rent at the Water Center in Boise. Yearly rent for FY 2020 is expected to total \$44,200, or about \$18.15 per square foot.

Agency Request	0.00	400	200	100	700
Governor's Recommendation	0.00	400	200	100	700

Replacement Items

The agency requests \$26,600 from the General Fund to replace a 2006 Ford F150 with 91,000 miles on it.

Agency Request	0.00	26,600	0	0	26,600
Governor's Recommendation	0.00	26,600	0	0	26,600

Soil and Water Conservation Commission

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$21,600, risk management costs will increase by \$11,300, State Controller fees will increase by \$1,900, State Treasurer fees will increase by \$100, and Office of Information Technology Services billings will increase by \$1,300, for a net increase of \$36,200.

Agency Request	0.00	25,000	10,500	700	36,200
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The Governor recommends adjustments to the cost of Office of Information Technology Services support within his technology modernization initiative.

Governor's Recommendation	0.00	24,000	10,400	500	34,900
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	10,300	1,500	2,200	14,000
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	30,900	4,300	6,700	41,900
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FY 2020 Program Maintenance

Agency Request	21.75	2,722,800	388,400	284,100	3,395,300
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Governor's Recommendation	21.75	2,730,500	389,400	285,600	3,405,500
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1. Financial Specialist to Full-Time

The agency requests 0.25 FTP and \$17,000 ongoing in personnel costs split between the General Fund (\$15,700) and the Resource Conservation and Rangeland Development Fund (\$1,300) to convert the part-time financial specialist to a full-time role. The current financial specialist is unable to take overtime, so many duties are passed on to the agency administrator for analysis. The agency estimates that the administrator performs 300 hours annually of duties that would otherwise be performed by a full-time position, including reporting, preparing contract proposals for grant funding, posting job descriptions, hiring staff, preparing RFPs, reviewing proposed rule and legislation changes, and preparing many parts of the annual budget request. In addition to relieving the administrator of these duties, a full-time financial analyst would spend approximately 100 hours annually conducting training, developing electronic filing management system procedures, crafting an agency-wide purchasing policy, and reconciling liabilities on a more regular basis.

Agency Request	0.25	15,700	1,300	0	17,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Soil and Water Conservation Commission

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. District Allocation Increase					
<p>The Soil and Water Conservation Commission (SWCC) requests an additional \$280,000 in ongoing General Fund trustee and benefit payments to provide a higher ratio of state funds to match those raised by the 50 local Soil and Water Conservation Districts (SWCD). Section 22-2727, Idaho Code, authorizes a base allocation to each district of no more than \$8,500, and limits state distributions to local districts to not exceed the lesser of either \$50,000 to any one district in a given fiscal year or a 2:1 ratio of state match funding to funding allotted by county commissioners or other local units of government in a given district. These distributions allow the SWCDs to leverage federal grants and other funding to carry out conservation projects throughout the state. SWCC also directs \$50,000 in discretionary capacity building grants for regional projects with the first \$10,000 split between one district in each of the six divisions and the remaining \$40,000 split evenly between all 50 districts. For example, in FY 2019, the total trustee and benefit payment appropriation available for distribution to local conservation districts is \$1,253,200 from the General Fund, comprised of the base allocation (\$425,000 for all 50 districts), capacity building allocation (\$50,000), operations allocations (\$100,000 or \$2,000 per district), and funds distributed to match federal and local project dollars (\$678,200). Local districts expect to raise \$521,700 from local sources in FY 2019, meaning that the \$678,200 used to match local dollars has a match ratio of 1.3:1. This request would bring the match dollars available to all districts to \$958,200, with a match ratio of 1.82:1 to further leverage local funding. The SWCC estimates that there are 17 unfunded projects that, if fully funded, would create the need for \$2.4 million in state matching funds, however these costs would need to be split over multiple years at current funding levels.</p>					
Agency Request	0.00	280,000	0	0	280,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	1,800	200	2,000
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	11,400	0	11,400
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	13,200	1,300	1,800	16,300
FY 2020 Total					
Agency Request	22.00	3,018,500	389,700	284,100	3,692,300
Governor's Recommendation	21.75	2,743,700	403,900	287,600	3,435,200
Agency Request					
Change from Original App	0.25	359,300	13,600	(5,000)	367,900
% Change from Original App	1.1%	13.5%	3.6%	(1.7%)	11.1%
Governor's Recommendation					
Change from Original App	0.00	84,500	27,800	(1,500)	110,800
% Change from Original App	0.0%	3.2%	7.4%	(0.5%)	3.3%

Department of Commerce

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	5,837,300	5,813,800	5,800,900	5,845,900	5,883,200
Dedicated	16,784,800	12,359,100	20,244,100	20,215,900	20,245,900
Federal	16,264,300	7,825,200	16,269,000	16,273,700	16,277,300
Total:	38,886,400	25,998,100	42,314,000	42,335,500	42,406,400
Percent Change:		(33.1%)	62.8%	0.1%	0.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,750,900	3,380,100	3,784,700	3,787,400	3,818,900
Operating Expenditures	8,353,600	7,990,700	10,203,600	10,231,500	10,270,900
Capital Outlay	20,200	25,500	9,100	0	0
Trustee/Benefit	26,761,700	14,601,800	28,316,600	28,316,600	28,316,600
Total:	38,886,400	25,998,100	42,314,000	42,335,500	42,406,400
Full-Time Positions (FTP)	43.00	43.00	43.00	43.00	43.00

Department Description

The Idaho Department of Commerce is dedicated to aiding in the creation of jobs, generating economic growth, creating economic opportunities, and advancing the well-being and prosperity of Idaho citizens. The agency offers many economic development programs to both existing and new businesses to the state, and is committed to ensuring access to services and information for all its customers and partners.

The divisions and functional groups within the department include the Marketing and Innovation Division and the Business Development and Operations Division. The Business Development and Operations Division is composed of Community Development, Business Retention and Expansion, Business Attraction, International Business Development, and Operations related functions. Community Development provides financial and technical assistance to Idaho's cities and counties for construction and rehabilitation of public facilities necessary to support economic diversification, job creation, business expansion, and a sense of community. Business Retention and Expansion provides ongoing communication and outreach to existing Idaho businesses to support growth and expansion opportunities. Business Attraction coordinates with local economic development professionals throughout Idaho on demand-driven business expansion opportunities that are initiated through companies and/or site selectors reaching out to the state to explore potential expansion or relocation opportunities. International Business Development supports Idaho businesses' efforts to export goods and services, develop new markets, increase foreign awareness and acceptance of Idaho's products and services, and promote foreign direct investment opportunities. Operations related functions support the department through day-to-day fiscal, payroll, and HR functions. The team also provides grant management and reporting across the various grant programs throughout the department.

The Marketing and Innovation Division is composed of Tourism Development, Idaho Global Entrepreneurial Mission (IGEM), and Communications. Tourism Development works to expand Idaho's tourism and recreation industry by marketing the state and travel opportunities to both domestic and international business and leisure travelers, awards grants to local communities to promote tourism, and develops, supports, and promotes tourism events and attractions throughout Idaho. The IGEM Program leverages private-industry guidance and the talent and expertise of Idaho's research universities to commercialize innovation and viable technologies that will strengthen Idaho's economy. Communications efforts provide support to the entire department through strategic outreach to media, government partners, and other key stakeholders that are focused on showcasing the success stories of Idaho businesses and highlighting Idaho's business-friendly environment to companies outside the state.

Department of Commerce

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	43.00	5,800,900	42,314,000	43.00	5,800,900	42,314,000
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	43.00	5,800,900	42,314,000	43.00	5,800,900	42,314,000
Removal of Onetime Expenditures	0.00	(6,800)	(9,100)	0.00	(6,800)	(9,100)
Base Adjustments	0.00	0	(43,000)	0.00	0	(43,000)
FY 2020 Base	43.00	5,794,100	42,261,900	43.00	5,794,100	42,261,900
Benefit Costs	0.00	9,200	13,500	0.00	(12,200)	(19,400)
Statewide Cost Allocation	0.00	20,800	27,900	0.00	20,800	27,900
Change in Employee Compensation	0.00	21,800	32,200	0.00	65,400	96,600
FY 2020 Program Maintenance	43.00	5,845,900	42,335,500	43.00	5,868,100	42,367,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	4,000
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	15,300
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	15,100	20,100
FY 2020 Total	43.00	5,845,900	42,335,500	43.00	5,883,200	42,406,400
Change from Original Appropriation	0.00	45,000	21,500	0.00	82,300	92,400
% Change from Original Appropriation		0.8%	0.1%		1.4%	0.2%

Department of Commerce

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	43.00	5,800,900	20,244,100	16,269,000	42,314,000

Noncognizable Funds and Transfers

Shifts 0.15 FTP from federal funds to the General Fund.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2019 Estimated Expenditures					
Agency Request	43.00	5,800,900	20,244,100	16,269,000	42,314,000
Governor's Recommendation	43.00	5,800,900	20,244,100	16,269,000	42,314,000

Removal of Onetime Expenditures

This adjustment removes onetime costs to replace network switches.

Agency Request	0.00	(6,800)	(2,300)	0	(9,100)
Governor's Recommendation	0.00	(6,800)	(2,300)	0	(9,100)

Base Adjustments

Removes the ongoing funding from the Indirect Cost Recovery Fund. Indirect costs will be captured internally rather than transferring cash to this fund for future payments.

Agency Request	0.00	0	(43,000)	0	(43,000)
Governor's Recommendation	0.00	0	(43,000)	0	(43,000)

FY 2020 Base					
Agency Request	43.00	5,794,100	20,198,800	16,269,000	42,261,900
Governor's Recommendation	43.00	5,794,100	20,198,800	16,269,000	42,261,900

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	9,200	3,000	1,300	13,500
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(12,200)	(5,300)	(1,900)	(19,400)

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$1,600, risk management costs will increase by \$500, State Controller fees will increase by \$2,700, and State Treasurer fees will increase by \$200, for a net increase of \$1,800.

This request also includes \$26,100 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.8%.

Agency Request	0.00	20,800	7,100	0	27,900
Governor's Recommendation	0.00	20,800	7,100	0	27,900

Department of Commerce

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	21,800	7,000	3,400	32,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	65,400	21,000	10,200	96,600
FY 2020 Program Maintenance					
Agency Request	43.00	5,845,900	20,215,900	16,273,700	42,335,500
Governor's Recommendation	43.00	5,868,100	20,221,600	16,277,300	42,367,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	4,000	0	4,000
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	15,300	0	15,300
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	15,100	5,000	0	20,100
FY 2020 Total					
Agency Request	43.00	5,845,900	20,215,900	16,273,700	42,335,500
Governor's Recommendation	43.00	5,883,200	20,245,900	16,277,300	42,406,400
Agency Request					
Change from Original App	0.00	45,000	(28,200)	4,700	21,500
% Change from Original App	0.0%	0.8%	(0.1%)	0.0%	0.1%
Governor's Recommendation					
Change from Original App	0.00	82,300	1,800	8,300	92,400
% Change from Original App	0.0%	1.4%	0.0%	0.1%	0.2%

Department of Finance

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	8,355,300	7,958,300	8,648,100	9,140,800	9,207,000
Percent Change:		(4.8%)	8.7%	5.7%	6.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	6,531,400	6,157,100	6,761,000	6,849,500	6,741,400
Operating Expenditures	1,741,900	1,719,200	1,821,700	2,170,300	2,344,600
Capital Outlay	82,000	82,000	65,400	121,000	121,000
Total:	8,355,300	7,958,300	8,648,100	9,140,800	9,207,000
Full-Time Positions (FTP)	66.00	66.00	67.00	67.00	65.00

Department Description

Originally created by the State Legislature in 1905, the Department of Finance is a regulatory agency charged with the supervision and oversight of state-chartered financial institutions, regulated lenders, securities issuers, broker-dealers and stockbrokers, residential mortgage brokers and lenders, investment advisers and sales personnel, collection agencies, endowed care cemeteries, and others.

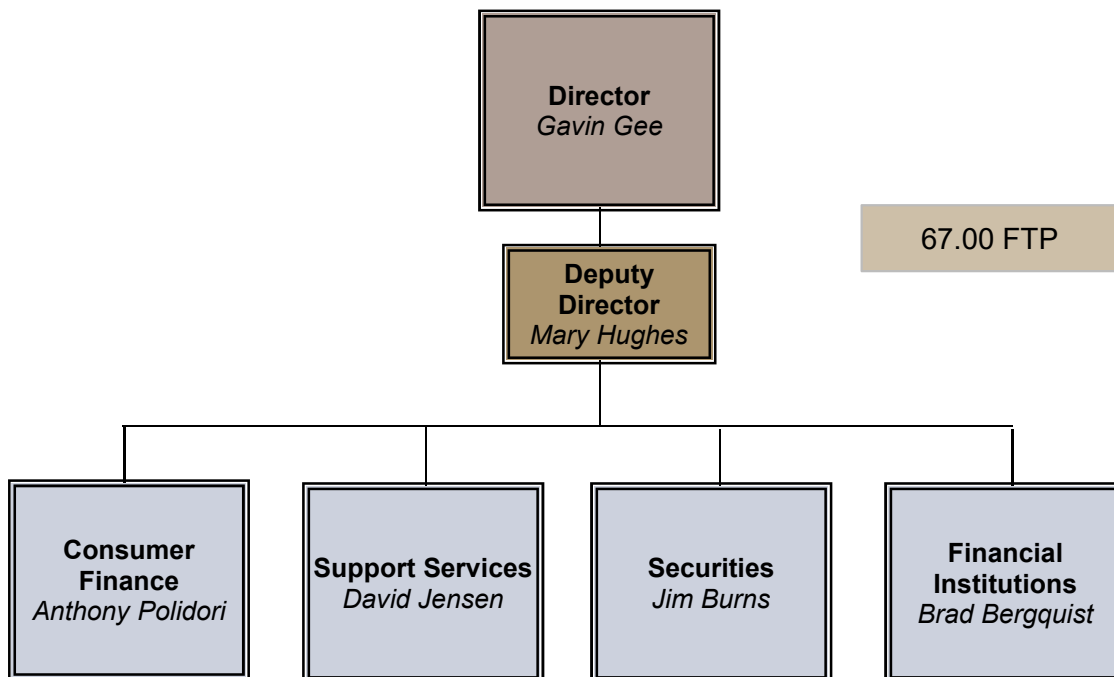
The mission of the department is to aggressively promote access to vigorous, healthy, and comprehensive financial services for Idaho citizens. This is accomplished through prudent and efficient oversight of financial institutions, investment opportunities, and credit transactions. Through administration of laws enacted by the Idaho Legislature, legitimate financial transactions are encouraged, while fraud, unsafe practices, and unlawful conduct are detected and appropriate enforcement action is taken. The department administers and enforces 23 regulatory statutes and is funded entirely by fees levied by law on the industries subject to its supervision.

[Statutory Authority: Section 67-2701 et seq., Idaho Code]

Department of Finance Agency Profile

Analyst: Bybee

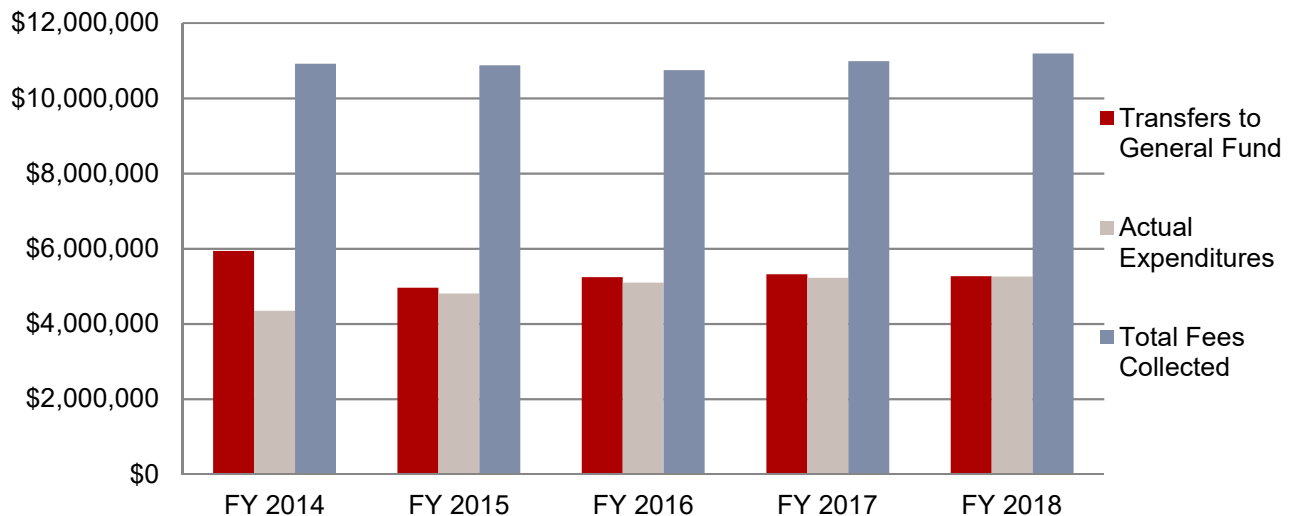
Organizational Chart and General Fund Transfers



GENERAL FUND TRANSFERS

At the beginning of each fiscal year, those moneys in the Finance Administration Account which exceed the current year's appropriation ... by twenty-five percent (25%) or more, shall be transferred to the General Fund at the beginning of the following fiscal year. [Statutory Authority: Section 67-2702(f), Idaho Code]

Transfers to General Fund



Department of Finance

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	67.00	0	8,648,100	67.00	0	8,648,100
Removal of Onetime Expenditures	0.00	0	(147,300)	0.00	0	(147,300)
FY 2020 Base	67.00	0	8,500,800	67.00	0	8,500,800
Benefit Costs	0.00	0	28,600	0.00	0	(24,800)
Replacement Items	0.00	0	112,900	0.00	0	112,900
Statewide Cost Allocation	0.00	0	(2,400)	0.00	0	(2,400)
Change in Employee Compensation	0.00	0	59,900	0.00	0	178,800
FY 2020 Program Maintenance	67.00	0	8,699,800	67.00	0	8,765,300
1. Moving Costs	0.00	0	441,000	0.00	0	441,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	6,100
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(2.00)	0	(5,400)
FY 2020 Total	67.00	0	9,140,800	65.00	0	9,207,000
Change from Original Appropriation	0.00	0	492,700	(2.00)	0	558,900
% Change from Original Appropriation			5.7%			6.5%

Department of Finance

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	67.00	0	8,648,100	0	8,648,100

Removal of Onetime Expenditures

This adjustment removes funding for replacement items which included software subscriptions, copier leases, backup system, firewall maintenance, reference materials, a Storage Area Network (SAN), and office equipment for a new position authorized in FY 2019.

Agency Request	0.00	0	(147,300)	0	(147,300)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(147,300)</i>	<i>0</i>	<i>(147,300)</i>

FY 2020 Base	67.00	0	8,500,800	0	8,500,800
<i>Governor's Recommendation</i>	<i>67.00</i>	<i>0</i>	<i>8,500,800</i>	<i>0</i>	<i>8,500,800</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	28,600	0	28,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(24,800)</i>	<i>0</i>	<i>(24,800)</i>
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Replacement Items

This request for replacement items include software subscriptions for \$29,900, copier leases for \$12,000, backup system for \$5,100, firewall maintenance for \$4,500, reference materials for \$8,400, Microsoft Enterprise Support for \$22,000, and 27 laptop computers for \$31,000, for a total of \$112,900.

Agency Request	0.00	0	112,900	0	112,900
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>112,900</i>	<i>0</i>	<i>112,900</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$4,000, risk management costs will decrease by \$400, State Controller fees will increase by \$2,100, and State Treasurer fees will decrease by \$100, for a net reduction of \$2,400.

Agency Request	0.00	0	(2,400)	0	(2,400)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(2,400)</i>	<i>0</i>	<i>(2,400)</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	59,900	0	59,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>178,800</i>	<i>0</i>	<i>178,800</i>
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FY 2020 Program Maintenance	67.00	0	8,699,800	0	8,699,800
<i>Governor's Recommendation</i>	<i>67.00</i>	<i>0</i>	<i>8,765,300</i>	<i>0</i>	<i>8,765,300</i>

Department of Finance

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Moving Costs					
The department is requesting additional funds to move from the MK/WGI Plaza to the Chinden Campus. This request includes an ongoing \$5,000 for rent increases and \$436,000, onetime, for the cost of moving the agency. Of the amount requested, \$200,000 to build walls for offices and conference rooms, \$15,000 for moving physical office equipment, \$15,000 for technology setup, \$59,000 for new Cisco phones, \$57,000 for IT and voice data lines, and \$90,000 for new cubicles which includes setup and installation.					
Agency Request	0.00	0	441,000	0	441,000
Governor's Recommendation	0.00	0	441,000	0	441,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	6,100	0	6,100
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
The Governor recommends the consolidation of technology services in specific agencies. This recommendation removes 2.00 FTP and reduces personnel costs \$173,600 while increasing operating expenditures \$168,200 for a net reduction of \$5,400.					
Governor's Recommendation	(2.00)	0	(5,400)	0	(5,400)
FY 2020 Total					
Agency Request	67.00	0	9,140,800	0	9,140,800
Governor's Recommendation	65.00	0	9,207,000	0	9,207,000
Agency Request					
Change from Original App	0.00	0	492,700	0	492,700
% Change from Original App	0.0%		5.7%		5.7%
Governor's Recommendation					
Change from Original App	(2.00)	0	558,900	0	558,900
% Change from Original App	(3.0%)		6.5%		6.5%

Industrial Commission

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Compensation	6,278,200	5,836,900	6,313,000	6,677,200	6,423,000
Rehabilitation	4,239,700	4,028,100	4,145,000	4,204,100	4,230,600
Crime Victims Compensation	4,301,100	3,269,100	4,586,800	4,916,100	4,885,200
Adjudication	2,434,000	2,333,200	2,436,300	2,446,300	2,469,100
Total:	17,253,000	15,467,300	17,481,100	18,243,700	18,007,900
BY FUND CATEGORY					
General	0	0	300,000	300,000	300,000
Dedicated	16,053,000	14,597,300	15,981,100	16,743,700	16,507,900
Federal	1,200,000	870,000	1,200,000	1,200,000	1,200,000
Total:	17,253,000	15,467,300	17,481,100	18,243,700	18,007,900
Percent Change:		(10.4%)	13.0%	4.4%	3.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	9,892,300	9,424,700	9,922,200	10,151,000	9,568,600
Operating Expenditures	2,560,700	2,332,900	2,594,500	3,167,200	3,513,800
Capital Outlay	258,800	302,300	123,200	84,300	84,300
Trustee/Benefit	4,541,200	3,407,400	4,841,200	4,841,200	4,841,200
Total:	17,253,000	15,467,300	17,481,100	18,243,700	18,007,900
Full-Time Positions (FTP)	138.25	138.25	138.25	140.25	132.25

Department Description

The Industrial Commission was established in 1918 to ensure the Idaho's Worker's Compensation Law is impartially and efficiently administered. The commission encourages safe working environments, prompt and accurate benefit payments, timely dispute resolution, and quality vocational rehabilitation services.

The COMPENSATION PROGRAM includes employer compliance, benefits administration, and management services. The program evaluates property and casualty insurers applying to write worker's compensation insurance and employers requesting to become self-insured; ensures that adequate securities are on deposit with the State Treasurer's Office to cover outstanding worker's compensation liabilities in case of insolvency; enforces the requirements of the worker's compensation law to ensure that injured workers are paid properly and timely; provides education, outreach, and legal action to ensure that employers are providing statutory coverage to all eligible workers; and resolves disputes between claimants, insurers, and employers on non-litigated claims.

The REHABILITATION PROGRAM was created in 1978 by the Legislature to reduce the duration of temporary disability resulting from an industrial injury. To the extent possible, this program strives to help injured workers obtain employment at a wage that is comparable to their pre-injury status. Consultants serve injured workers from 10 field offices across the state.

The CRIME VICTIMS COMPENSATION PROGRAM was established in 1986 to provide financial assistance to innocent victims of crime. Benefits are paid for costs such as medical and mental health care, examinations, funeral expenses for victims, and lost wages for victims who are unable to work as a result of a crime, up to a maximum of \$25,000 per victim, per crime. Benefits are not payable for property damage. Funding comes from fines and penalties assessed on criminal convictions and a federal grant. Certain restitution and prison payment programs are also directed to the fund.

The ADJUDICATION PROGRAM includes three commissioners appointed by the Governor whose staff hear and adjudicate disputed worker's compensation claims, unemployment insurance appeals, medical fee disputes, and disputed determinations made by the Crime Victims Compensation Program.

Industrial Commission

Analyst: Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	138.25	300,000	17,481,100	138.25	300,000	17,481,100
1. Chinden Campus Relocation	0.00	0	967,900	0.00	0	847,400
FY 2019 Total Appropriation	138.25	300,000	18,449,000	138.25	300,000	18,328,500
Removal of Onetime Expenditures	0.00	0	(1,091,100)	0.00	0	(970,600)
FY 2020 Base	138.25	300,000	17,357,900	138.25	300,000	17,357,900
Benefit Costs	0.00	0	36,500	0.00	0	(60,500)
Inflationary Adjustments	0.00	0	15,800	0.00	0	15,800
Replacement Items	0.00	0	78,600	0.00	0	78,600
Statewide Cost Allocation	0.00	0	10,800	0.00	0	10,800
Change in Employee Compensation	0.00	0	79,500	0.00	0	238,500
FY 2020 Program Maintenance	138.25	300,000	17,579,100	138.25	300,000	17,641,100
1. Delayed Relocation Contingency	0.00	0	256,100	0.00	0	256,100
2. Crime Victims Claims Examiner	1.00	0	56,400	1.00	0	56,500
3. Employer Compliance Investigator	1.00	0	62,100	1.00	0	62,500
4. Conversion to Digital Archives	0.00	0	270,000	0.00	0	270,000
5. Cybersecurity Software	0.00	0	20,000	0.00	0	20,000
6. CEC for Commissioners	0.00	0	0	0.00	0	11,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	12,600
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(8.00)	0	(656,300)
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	334,000
FY 2020 Total	140.25	300,000	18,243,700	132.25	300,000	18,007,900
Change from Original Appropriation	2.00	0	762,600	(6.00)	0	526,800
% Change from Original Appropriation		0.0%	4.4%		0.0%	3.0%

Industrial Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	138.25	300,000	15,981,100	1,200,000	17,481,100

1. Chinden Campus Relocation

Compensation, Crime Victims Compensation, Adjudication

The Industrial Commission requests a onetime supplemental appropriation of \$967,900 to relocate its offices to the Chinden Campus. The lease for the agency's current office space will expire on June 30, 2019. The commission expects to move by June 2019 when its newly constructed space is completed. This request would fund the purchase and installation of new office equipment and furnishings and cover moving costs.

The costs will be split between three of the commission's programs: Compensation (\$732,300), Crime Victims Compensation (\$108,900), and Adjudication (\$126,700), all from dedicated funds. The most significant costs will be to replace the agency's cubicles (\$384,300) and moveable file system (\$120,500). The cubicles currently used by the commission are estimated to be 25 to 30 years old, are of differing sizes, and cannot all fit within the new office space as the agency will be moving from two floors to one and needs to reconfigure its layout. The agency's current movable file system is no longer being manufactured and cannot be relocated due to its size and the lack of available parts, so the agency plans to secure a vendor to build a new system at the Chinden location. The remaining costs are comprised of furnishings for new rooms and offices; purchase and installation of security badge readers, a security system, digital signage, and installation of audio/visual and video teleconference equipment; moving existing office furniture and IT equipment; and one month of dual lease payments for its former and new offices in June 2019 during the transition.

Agency Request	0.00	0	967,900	0	967,900
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The Governor recommends all items requested for the agency's Chinden Campus relocation with the exception of \$120,500 for a moveable file system. The file system will be purchased using a portion of the \$800,000 the agency pre-paid to the Department of Administration's Division of Public Works in FY 2018 for the move to the Chinden Campus.

Governor's Recommendation	0.00	0	847,400	0	847,400
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FY 2019 Total Appropriation					
Agency Request	138.25	300,000	16,949,000	1,200,000	18,449,000
Governor's Recommendation	138.25	300,000	16,828,500	1,200,000	18,328,500

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items (\$123,200 for office IT equipment, furniture, and one vehicle) and the supplemental appropriation request (\$967,900 for the Chinden Campus relocation) before calculating the FY 2020 Base.

Agency Request	0.00	0	(1,091,100)	0	(1,091,100)
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Amounts differ due to the reduced onetime amount recommended by the Governor for the Chinden Campus relocation.

Governor's Recommendation	0.00	0	(970,600)	0	(970,600)
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FY 2020 Base					
Agency Request	138.25	300,000	15,857,900	1,200,000	17,357,900
Governor's Recommendation	138.25	300,000	15,857,900	1,200,000	17,357,900

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	36,500	0	36,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(60,500)	0	(60,500)
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Industrial Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Inflationary Adjustments					Rehabilitation
The agency requests \$15,800 in operating expenditures from the Industrial Administration Fund for contract inflation for its field office leases (\$5,700) and internet costs (\$10,100).					
Agency Request	0.00	0	15,800	0	15,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>15,800</i>	<i>0</i>	<i>15,800</i>

Replacement Items

The agency requests \$78,600 in onetime capital outlay for the following replacement items: \$66,700 for standard office IT equipment and \$8,600 for office furniture from the Industrial Administration Fund, and \$2,500 for office furniture and \$800 for a server from the Crime Victims Compensation Fund.

Agency Request	0.00	0	78,600	0	78,600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>78,600</i>	<i>0</i>	<i>78,600</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$2,100, risk management costs will increase by \$6,100, State Controller fees will increase by \$3,700, and State Treasurer fees will increase by \$200, for a net increase of \$7,900.

This request also includes \$2,900 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.

Agency Request	0.00	0	10,800	0	10,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>10,800</i>	<i>0</i>	<i>10,800</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	79,500	0	79,500
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>238,500</i>	<i>0</i>	<i>238,500</i>
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FY 2020 Program Maintenance

Agency Request	138.25	300,000	16,079,100	1,200,000	17,579,100
<i>Governor's Recommendation</i>	<i>138.25</i>	<i>300,000</i>	<i>16,141,100</i>	<i>1,200,000</i>	<i>17,641,100</i>

1. Delayed Relocation Contingency

Compensation, Crime Victims Compensation

The Industrial Commission requests \$256,100 in onetime operating expenditures to pay up to eight months of rent for its existing leased office space in the event that the Chinden Campus remodel is delayed. The agency's current lease extends to June 30, 2019, with a month-to-month option beginning July 1, 2019, at a rate increased by \$32,000 per month. The agency plans to move to the Chinden Campus by June 2019, however it does not have sufficient appropriation to cover the increased rent if the move gets behind schedule. This request would provide contingency funds for rent, if needed, until the 2020 Legislature convenes. If these funds are not needed they will revert back to the dedicated funds for the Compensation and Crime Victims Compensation Programs.

Agency Request	0.00	0	256,100	0	256,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>256,100</i>	<i>0</i>	<i>256,100</i>

Industrial Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Crime Victims Claims Examiner					
Crime Victims Compensation					
The Crime Victims Compensation Program requests 1.00 FTP and \$56,400 from the Crime Victims Compensation Fund to hire a third claims examiner. Of this amount, \$53,700 is for ongoing personnel costs and \$2,700 is for onetime capital outlay for the new employee's computer and workstation. This position would be filled at 80% of policy for pay grade I or \$16.57 per hour. The program's second claims examiner was hired in FY 2006, and since that time the number of claims and complexity of review have increased. The program implemented a medical fee schedule for payment of claims in 2010, which requires the claims examiners to review Current Procedural Terminology (CPT) codes for compliance with correct coding guidelines and follow up with providers to correct coding errors. Additionally, providers are increasingly using third-party billing services, which increases the follow-up time needed to obtain support documentation. The program's goal is to process crime victims' claims within 120 days from the date an application for benefits is received, but it has been unable to meet that guideline in recent years with its current staffing levels and caseload.					
Agency Request	1.00	0	56,400	0	56,400
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	56,500	0	56,500
3. Employer Compliance Investigator					
Compensation					
The Compensation Program requests 1.00 FTP and \$62,100 from the Industrial Administration Fund to hire an additional employer compliance investigator. Of this amount, \$59,100 is for ongoing personnel costs, and \$3,000 is for onetime capital outlay for the new employee's computer and workstation. This position would be filled at 80% of policy for pay grade J or \$18.68 per hour. Employer compliance investigators are responsible for making contact with employers within an assigned region that have been identified as not having worker's compensation insurance and determining whether that employer is subject to the insurance requirements of worker's compensation law. Prior to the last recession, there were eight investigators within the Compliance Program, but a position was eliminated in FY 2011. The recession resulted in fewer employer investigations while unemployment levels were high. According to the agency, case referrals for investigations have increased 30% from FY 2014 to FY 2018 due to Idaho's population and employment growth. This has resulted in investigators being unable to provide in-person education and outreach to all employers, and relying more on outreach by mail and phone. The agency requests to restore the eighth investigator to continue its mission of providing quality customer service and educational outreach to employers regarding worker's compensation law.					
Agency Request	1.00	0	62,100	0	62,100
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	62,500	0	62,500
4. Conversion to Digital Archives					
Compensation, Crime Victims Compensation					
The Industrial Commission requests a total of \$270,000 in operating expenditures (\$30,000 for the Compensation Program and \$240,000 for the Crime Victims Compensation Program) from the programs' two dedicated funds to digitize its paper and microfilm files to electronic archives. The benefits administration section utilizes Paper Vision for its digital archives and the agency would like to have each of the divisions using the same platform. Additionally, the Crime Victims Compensation Program relies on paper records and those older than one year are stored offsite at the State Records Center to accommodate the volume of files. The digitization of these records would improve the agency's responsiveness to inquiries that require retrieval of old records.					
Agency Request	0.00	0	270,000	0	270,000
Governor's Recommendation	0.00	0	270,000	0	270,000
5. Cybersecurity Software					
Compensation, Crime Victims Compensation					
The Industrial Commission requests a total of \$20,000 in operating expenditures for annual subscriptions to Ivanti, Teneable, and Duo to maintain its cybersecurity standards with software products recommended by the Office of Information Technology Services.					
Agency Request	0.00	0	20,000	0	20,000
Governor's Recommendation	0.00	0	20,000	0	20,000

Industrial Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
6. CEC for Commissioners					Adjudication
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a 3% salary increase for commissioners. This increases the annual salary from \$104,020 to \$107,141. Legislation is required to make this change.</i>					
Governor's Recommendation	0.00	0	11,400	0	11,400
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	12,600	0	12,600
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies.</i>					
Governor's Recommendation	(8.00)	0	(656,300)	0	(656,300)
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	334,000	0	334,000
FY 2020 Total					
Agency Request	140.25	300,000	16,743,700	1,200,000	18,243,700
Governor's Recommendation	132.25	300,000	16,507,900	1,200,000	18,007,900
Agency Request					
Change from Original App	2.00	0	762,600	0	762,600
% Change from Original App	1.4%	0.0%	4.8%	0.0%	4.4%
Governor's Recommendation					
Change from Original App	(6.00)	0	526,800	0	526,800
% Change from Original App	(4.3%)	0.0%	3.3%	0.0%	3.0%

Department of Insurance

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Insurance Regulation	8,492,800	6,597,300	8,984,500	8,663,200	8,457,600
State Fire Marshal	1,197,800	886,100	1,224,900	1,265,100	1,271,100
Total:	9,690,600	7,483,400	10,209,400	9,928,300	9,728,700
BY FUND CATEGORY					
Dedicated	9,013,200	6,998,700	9,531,200	9,246,800	9,045,900
Federal	677,400	484,700	678,200	681,500	682,800
Total:	9,690,600	7,483,400	10,209,400	9,928,300	9,728,700
Percent Change:		(22.8%)	36.4%	(2.8%)	(4.7%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	6,001,200	5,340,800	6,041,300	6,114,300	5,728,000
Operating Expenditures	3,504,600	1,959,800	3,632,800	3,621,500	3,808,200
Capital Outlay	184,800	182,800	535,300	192,500	192,500
Total:	9,690,600	7,483,400	10,209,400	9,928,300	9,728,700
Full-Time Positions (FTP)	76.50	76.50	76.50	76.50	71.50

Department Description

The mission of the Department of Insurance is to serve and protect Idahoans equitably, effectively, and efficiently administering the Idaho Insurance Code and the International Fire Code. The department has two budgeted programs: the Insurance Regulation Division and the State Fire Marshal's Office. The Insurance Regulation Division consists of three bureaus and one section (IT) overseen by a deputy director. Support services are provided by an administrative group reporting to the director, which also has the responsibility of collecting and auditing insurance premium tax returns. The responsibilities can be summarized as follows:

The Insurance Regulation Division, Company Activities Bureau monitors the financial condition of all insurance entities domiciled in the state of Idaho to assure that each complies with Idaho law, and that the financial obligations of the company to its policyholders will be met. The bureau also reviews and issues certificates of authority or eligibility to qualified insurers or self-funded healthcare plans; licenses producers, adjusters and third party administrators; regulates title agencies; and performs market analyses and examinations of insurers and self-funded plans domiciled in Idaho.

The Insurance Regulation Division, Consumer Services Bureau researches consumer and industry complaints, and provides assistance to consumers and the insurance industry on matters involving insurance contracts and potential violations of the insurance code. This bureau investigates criminal and civil violations of insurance laws, and refers cases involving criminal or administrative violations to the Attorney General or appropriate county prosecutor. Also within this bureau is Idaho's Senior Health Insurance Benefits Advisors (SHIBA) program which provides free, unbiased information, counseling and assistance on Medicare coverage issues to Idaho's senior citizens, through a network of over 150 volunteers/partners and a help line staffed to service a Idahoans.

The Insurance Regulation Division, Product Review Bureau reviews filed rates and forms. The bureau meets the effective rate review standards for the individual and small group health insurance markets, retaining state-level regulatory authority. The bureau reviews and certifies that health plans meet standards as required by law.

The State Fire Marshal Division participates in and coordinates an integrated statewide system designed to protect human life from fire and explosions through fire prevention, investigation and public education activities. The program involves fire prevention activities, fire/arson investigations, code enforcement and the operation of various statistical systems, including the Idaho Fire Incident Reporting System. The State Fire Marshal's Office provides assistance to local fire agencies throughout the state.

Department of Insurance

Agency Profile

Analyst: Bybee

PREMIUM TAX DISTRIBUTION

The Department of Insurance is responsible for administering and collecting a tax assessed on all insurance premiums. This tax collected from authorized insurers is in lieu of all other state and local taxes with the exception of real property tax (Section 41-405, Idaho Code).

Revenue from the premium tax is distributed to the following funds:

Insurance Refund: Used to reimburse insurers for overpayment of taxes, fines, penalties, etc.

PERSI: Section 59-1394, Idaho Code, provides that at least 50% of the gross tax on fire insurance premiums is used to partially fund the firefighter retirement system. 100% of the gross tax on fire insurance is used for this purpose.

High Risk Reinsurance Pool: If premium tax revenue exceeds \$45 million after all other deductions, 25% of the excess goes into the Individual High Risk Reinsurance Pool to pay the costs associated with providing health insurance coverage to high risk individuals regardless of health status or claims experience.

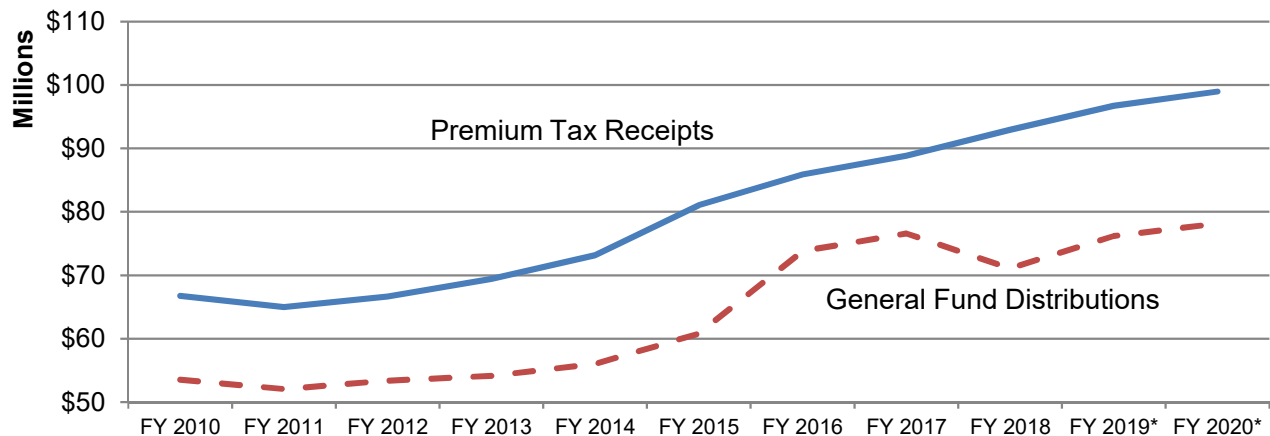
Idaho Health Insurance Access Card: If premium tax revenue exceeds \$55 million, 25% of the excess goes to the Idaho Health Insurance Access Card Fund, with 80% going to CHIP Plan B and the children's access card program, and 20% (not to exceed \$1.2 million) to the small business health insurance pilot program.

LEGISLATION IMPACTING DISTRIBUTIONS: S1014 of 2013 included a clause that struck the distributions for the CHIP B, Access Card, and High Risk Reinsurance Pool beginning October 1, 2015. High Risk Reinsurance Pool was re-codified with S1265 of 2016 and took effect in FY 2018.

General Fund: The balance of the premium tax, fines, and penalties are distributed to the General Fund.

DISTRIBUTION OF PREMIUM TAX REVENUES FY 2017 - FY 2020

	FY 2017	FY 2018	FY 2019*	FY 2020*
General Fund	\$76,610,678	\$71,073,851	\$76,177,505	\$78,134,400
Insurance Refund	\$8,443,800	\$8,895,300	\$9,162,200	\$9,437,100
Fireman's PERSI	\$3,802,500	\$3,962,841	\$3,802,500	\$3,802,500
Insurance Insolvency Fund	\$0	\$0	\$0	\$0
High Risk Reinsurance Pool	\$0	\$9,019,873	\$7,605,800	\$7,605,800
CHIP B and Access Card	\$0	\$0	\$0	\$0
Total (Premium Tax Receipts)	\$88,856,978	\$92,951,865	\$96,748,005	\$98,979,800



*Estimate based on projected revenues and expenses.

NOTE: Distributions can exceed actual revenues slightly, depending on the amount of fees collected by the agency. Section 41-401(3)(e), Idaho Code, provides that "at the beginning of each fiscal year, those moneys in the Insurance Administrative Account which exceed the current year's appropriation plus any residual encumbrances made against prior years' appropriations by twenty-five percent (25%) or more shall be transferred to the general [fund]."

Department of Insurance

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	76.50	0	10,209,400	76.50	0	10,209,400
Removal of Onetime Expenditures	0.00	0	(535,300)	0.00	0	(535,300)
FY 2020 Base	76.50	0	9,674,100	76.50	0	9,674,100
Benefit Costs	0.00	0	21,300	0.00	0	(35,600)
Replacement Items	0.00	0	192,500	0.00	0	192,500
Statewide Cost Allocation	0.00	0	(11,300)	0.00	0	(11,300)
Change in Employee Compensation	0.00	0	51,700	0.00	0	154,200
FY 2020 Program Maintenance	76.50	0	9,928,300	76.50	0	9,973,900
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	7,100
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(5.00)	0	(252,300)
FY 2020 Total	76.50	0	9,928,300	71.50	0	9,728,700
Change from Original Appropriation	0.00	0	(281,100)	(5.00)	0	(480,700)
% Change from Original Appropriation			(2.8%)			(4.7%)

Department of Insurance

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	76.50	0	9,531,200	678,200	10,209,400

Removal of Onetime Expenditures

This adjustment removes onetime funding for equipment replacement by program as follows:
 INSURANCE REGULATION: Three server blades, 63 cubicles, one multi-functional printer solution, two Chromebooks, four label printers, and seven task chairs for a total of \$450,700.

STATE FIRE MARSHAL: Personal protective equipment, a Ford F-150, five cubicles, one DesignJet printer, one label printer, and one task chair for a total of \$84,600.

Agency Request	0.00	0	(535,300)	0	(535,300)
Governor's Recommendation	0.00	0	(535,300)	0	(535,300)

FY 2020 Base					
Agency Request	76.50	0	8,995,900	678,200	9,674,100
Governor's Recommendation	76.50	0	8,995,900	678,200	9,674,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	20,400	900	21,300
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(33,600)	(2,000)	(35,600)
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Replacement Items

This request for replacement items includes \$40,500 for computers; \$3,600 for edge boxes at field offices; \$101,600 for two light trucks; \$27,300 for printers and equipment; \$4,800 for task chairs; and \$14,700 for server half-blades by program as follows:

INSURANCE REGULATION: Three server half-blades, three edge boxes, 24 personal computers, two high-end computers, nine laptops, one chromebook, 48 monitors, four laptop docking stations, one network printer, three label printers, two desktop scanners, and seven task chairs for a total of \$83,000.

STATE FIRE MARSHAL: Two light trucks, two laptop computers, two laptop docking stations, six monitors, three label printers, and one task chair for a total of \$109,500.

Agency Request	0.00	0	192,500	0	192,500
Governor's Recommendation	0.00	0	192,500	0	192,500

Department of Insurance

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$51,500, risk management costs will decrease by \$4,400, State Controller fees will increase by \$2,200, and State Treasurer fees will increase by \$200, for a net reduction of \$53,500.					
This request also includes \$42,200 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.8%.					
Agency Request	0.00	0	(11,300)	0	(11,300)
Governor's Recommendation	0.00	0	(11,300)	0	(11,300)
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	49,300	2,400	51,700
The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.					
Governor's Recommendation	0.00	0	147,600	6,600	154,200
FY 2020 Program Maintenance					
Agency Request	76.50	0	9,246,800	681,500	9,928,300
Governor's Recommendation	76.50	0	9,291,100	682,800	9,973,900
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	7,100	0	7,100
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
The Governor recommends the consolidation of technology services in specific agencies. This recommendation removes 5.00 FTP and reduces personnel costs \$431,900 while increasing operating expenditures \$179,600 for a net reduction of \$252,300.					
Governor's Recommendation	(5.00)	0	(252,300)	0	(252,300)
FY 2020 Total					
Agency Request	76.50	0	9,246,800	681,500	9,928,300
Governor's Recommendation	71.50	0	9,045,900	682,800	9,728,700
Agency Request					
Change from Original App	0.00	0	(284,400)	3,300	(281,100)
% Change from Original App	0.0%		(3.0%)	0.5%	(2.8%)
Governor's Recommendation					
Change from Original App	(5.00)	0	(485,300)	4,600	(480,700)
% Change from Original App	(6.5%)		(5.1%)	0.7%	(4.7%)

Department of Labor

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Unemployment Insurance Admin	33,072,800	19,860,400	33,401,400	34,098,400	34,299,800
Employment Services	59,346,800	37,521,600	50,411,200	50,139,800	54,712,300
Wage and Hour	644,300	517,000	647,200	653,300	657,000
Career Information Services	886,900	589,900	0	0	0
Human Rights Commission	1,191,500	1,118,900	1,171,900	1,177,600	1,182,700
Serve Idaho	2,643,400	1,243,500	2,644,600	2,685,100	2,688,200
Total:	97,785,700	60,851,300	88,276,300	88,754,200	93,540,000
BY FUND CATEGORY					
General	341,200	337,700	342,200	345,500	347,100
Dedicated	27,557,800	10,552,600	17,601,500	17,644,800	17,796,700
Federal	69,886,700	49,961,000	70,332,600	70,763,900	75,396,200
Total:	97,785,700	60,851,300	88,276,300	88,754,200	93,540,000
Percent Change:		(37.8%)	45.1%	0.5%	6.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	54,039,800	38,003,100	53,025,000	48,989,100	49,406,200
Operating Expenditures	21,134,400	12,469,000	20,506,800	25,001,300	25,046,500
Capital Outlay	1,315,000	721,400	1,194,500	1,213,800	1,213,800
Trustee/Benefit	21,296,500	9,657,800	13,550,000	13,550,000	13,550,000
Lump Sum	0	0	0	0	4,323,500
Total:	97,785,700	60,851,300	88,276,300	88,754,200	93,540,000
Full-Time Positions (FTP)	700.00	700.00	681.58	681.58	681.58

Department Description

The Idaho Department of Labor's main function is to administer Unemployment Compensation (UC), a social insurance program. It is designed to provide benefits to most individuals out of work, generally through no fault of their own, for periods between jobs. In order to be eligible for benefits, jobless workers must demonstrate workforce attachment, usually measured by amount of wages and/or weeks of work, and must be able and available for work.

The UC program is a federal-state partnership based upon federal law, but administered by state employees under state law. Because of this structure, the program is unique among the country's social insurance programs. The UC program is also unique in that it is almost totally funded by employer taxes, either federal or state. Only three states collect taxes from employees.

Federal law defines certain requirements for the program. The Social Security Administration (SSA) and the Federal Unemployment Tax Act (FUTA) set forth broad coverage provisions, some benefit provisions, the federal tax base and rate, and administrative requirements.

Title III of the SSA provides for payments from the FUTA to the states to meet the necessary costs of administering the UC programs in the states. The major proportion of the cost (97%) of operating public employment offices is provided for by the Wagner-Peyser Act. Administration of unemployment insurance includes providing taxpayer services, helping out-of-work individuals file claims, processing claims, and paying benefits. Benefit payments are continuously appropriated to the department. [Statutory Authority: Section 72-1347, Idaho Code, et seq.]

For purposes of appropriation, the Department of Labor is organized into six programs: Unemployment Insurance Administration, Employment Services, Wage and Hour, Career Information Services, the Human Rights Commission, and Serve Idaho. Only Unemployment Compensation functions with a continuous

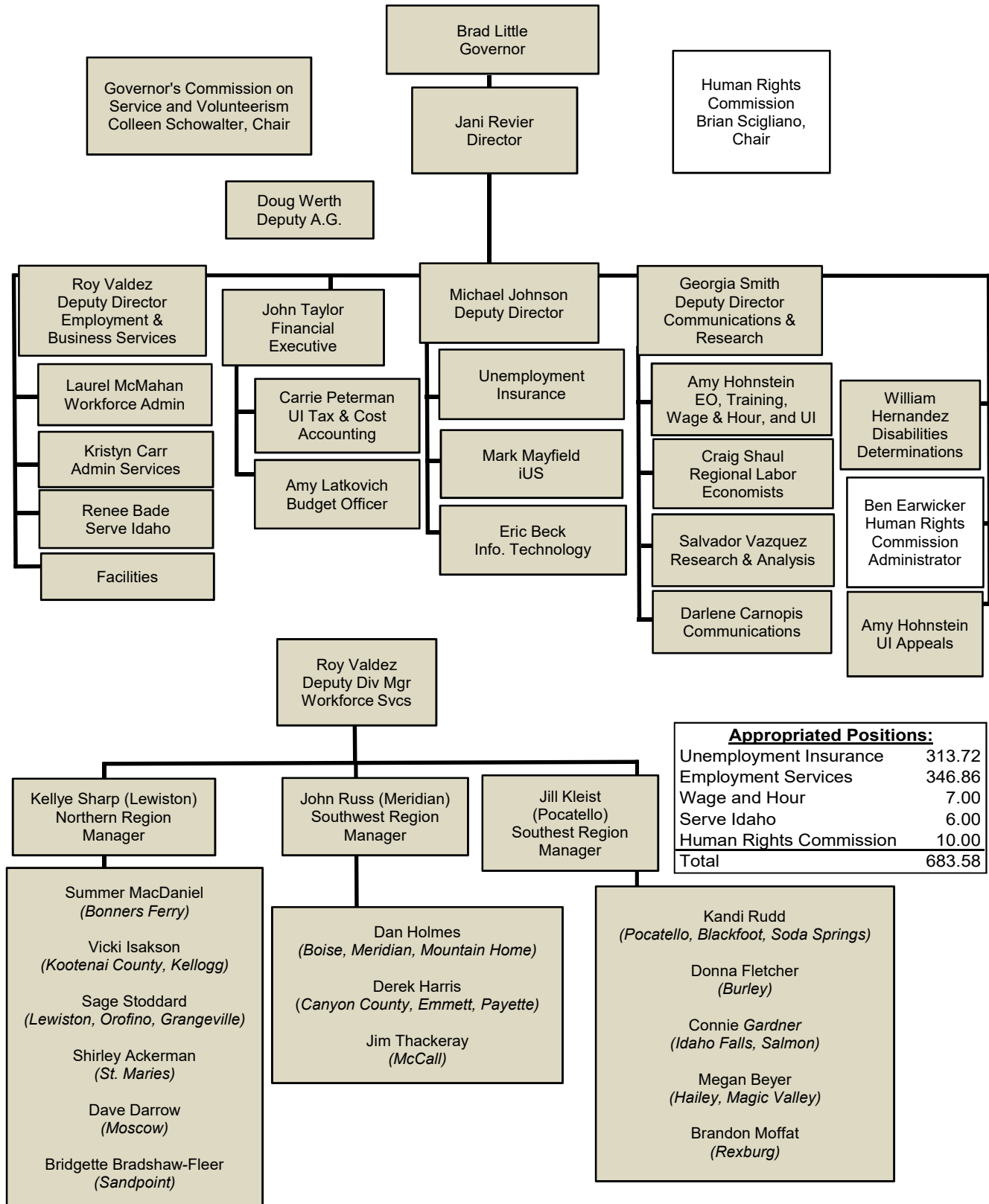
Historical Summary

appropriation.

- 1) Unemployment Insurance Administration oversees UI programs for eligible workers through federal and state cooperation, including unemployment compensation for federal employees or ex-service members, disaster unemployment assistance, and assists in the oversight of trade adjustment assistance and alternative trade adjustment assistance, and reemployment trade adjustment assistance programs.
- 2) Employment Services, in partnership with business, labor, education and government, promotes workforce development and economic security for the citizens of Idaho through the labor exchange, job training opportunities, labor market information, and the Workforce Development Council.
- 3) The Wage and Hour section administers Idaho laws regarding the payment of minimum wage and claims for unpaid wages. This program provides redress to citizens for wage and hour law violations, and dispenses information and assistance to employers on wage and hour law provisions.
- 4) The Career Information Services Program provides a comprehensive source of career information about Idaho and the nation. Information and data is gathered and presented to job seekers for the purposes of exploring career opportunities, finding educational programs and schools that offer them, and ultimately finding work.
- 5) The Idaho Human Rights Commission administers the policies outlined in the federal fair employment practice acts banning discrimination based on race, gender, color, religion, national origin, age, and disability. Although Section 67-5903, Idaho Code, creates the nine-member Human Rights Commission in the Office of the Governor, and compensates them \$50 per day, plus necessary expenses, H603 of 2010 amended Section 67-5905, Idaho Code, to provide that the Director of the Department of Labor appoints the administrator and provides support staff from within the Department of Labor.
- 6) Through the Serve Idaho Program, the Governor's Commission on Service and Volunteerism promotes collaborative efforts among public, private, and nonprofit state and local agencies to advance community service programs and activities throughout the state. It is funded by grants from the Corporation for National and Community Service and through cash and in-kind donations from state and local partners. H603 of 2010 transferred administrative support from the Executive Office of the Governor to the Department of Labor.

Department of Labor Organizational Chart

Analyst: Bybee



Appropriated Positions:	
Unemployment Insurance	313.72
Employment Services	346.86
Wage and Hour	7.00
Serve Idaho	6.00
Human Rights Commission	10.00
Total	683.58

Department of Labor

Agency Profile

Analyst: Bybee

Appropriated Funds	FY 2017 Expenditures	FY 2018 Expenditures	Percent of Total	FY 2019 Appropriation	FY 2020 Request
General Fund (0001-00)	\$351,600	\$337,700	0.2%	\$342,200	\$345,500
The General Fund sources are the individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor profits, kilowatt-hour tax, mine license tax, State Treasurer's interest on investments of certain idle funds, court fees and fines, insurance premium tax, and agency receipts.					
Unemployment Penalty & Interest (0302-00)	3,404,600	2,470,300	1.7%	7,059,800	7,064,400
Receipts to this fund include penalties and all interest on judgments or funds secured by liens, collected under the provisions of Section 72-1347A, Idaho Code. This fund is referred to as the Employment Security Administrative and Reimbursement Fund in Section 72-1354, Idaho Code.					
Employment Security Special Admin (0303-00)	2,004,500	3,123,200	2.2%	3,436,700	3,450,600
This fund consists of interest earned from investment of the Employment Security Reserve Fund, under Sections 72-1347-1347A, Idaho Code. This fund is used for costs related to department programs administered under the employment security law as approved by the Workforce Development Council.					
Miscellaneous Revenue (0349-00)	3,123,000	1,695,000	1.2%	7,105,000	7,129,800
Sources of funds include miscellaneous receipts, grants, contributions or donations, Workforce Development Training Fund moneys, and Idaho Career Information System fees.					
Federal Grant (0348-00)	51,557,200	49,961,000	34.6%	70,332,600	70,763,900
Historically, only Reed Act funds received from U.S. Department of Labor made up expenditures in the appropriated federal fund source. However, beginning in FY 2011, this fund includes federal grants received through the Human Rights Commission. Beginning in FY 2016, the major federal grant for administration of the Unemployment Insurance Program as authorized under the Social Security Act was brought on budget and appropriated. This grant and others for the Employment Service and Workforce Investment Act (WIA) / Workforce Innovation and Opportunity Act (WIOA) are administered at the federal level by the U.S. Department of Labor. No state matching funds are required. Funds made available to the state through discretionary grants awarded by the U.S. Department of Labor are also credited to this account. The moneys deposited in this fund are used to pay administrative expenses and contract costs arising out of the administration of the Employment Security Law, pursuant to Section 72-1301, Idaho Code. Funds are also used to pay for employment and training programs, services to veterans and other specialized employment-related services.					
Workforce Development Training (0305-00)	4,632,600	3,264,100	2.3%	-	-
This fund is derived from the diversion of Unemployment Insurance taxes equal to 3% of the taxable wage rate authorized and payable under Section 72-1350, Idaho Code. This fund is maintained separately and authorized under Section 72-1347B, Idaho Code. This fund is used to provide or expand training and retraining opportunities for Idaho's workforce. The fund has a statutory sunset of January 1, 2018.					
TOTAL Appropriated Funds	\$65,073,500	\$60,851,300	42.1%	\$88,276,300	\$88,754,200

Continuously Appropriated Funds

Unemployment Compensation (0514-00)	103,401,000	83,529,400	57.9%
This fund is for receipting unemployment taxes and interest collected, and for disbursing unemployment benefits. Additionally, in 2011, the Legislature authorized in Section 72-1346B, Idaho Code, the Department of Labor, to pay the principle and interest on bonds sold for the repayment of federal advances.			
Grand Total Appropriated and Continuous	168,474,500	144,380,700	100%

Department of Labor

Comparative Summary

Analyst: Bybee

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	681.58	342,200	88,276,300	681.58	342,200	88,276,300
Removal of Onetime Expenditures	0.00	0	(819,300)	0.00	0	(819,300)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	681.58	342,200	87,457,000	681.58	342,200	87,457,000
Benefit Costs	0.00	1,000	147,900	0.00	(2,000)	(239,300)
Replacement Items	0.00	0	363,800	0.00	0	363,800
Statewide Cost Allocation	0.00	0	(41,600)	0.00	0	(41,600)
Change in Employee Compensation	0.00	2,300	401,100	0.00	6,900	1,205,400
FY 2020 Program Maintenance	681.58	345,500	88,328,200	681.58	347,100	88,745,300
1. Additional Info Technology	0.00	0	426,000	0.00	0	426,000
2. Gov Initiative - JOBCorps Pilot	0.00	0	0	0.00	0	4,323,500
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	45,200
FY 2020 Total	681.58	345,500	88,754,200	681.58	347,100	93,540,000
Change from Original Appropriation	0.00	3,300	477,900	0.00	4,900	5,263,700
% Change from Original Appropriation		1.0%	0.5%		1.4%	6.0%

Department of Labor

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	681.58	342,200	17,601,500	70,332,600	88,276,300

Removal of Onetime Expenditures

This adjustment removes \$505,900 for replacement items which included three vehicles, a server, two back-up solutions, a firewall, and network packet diagnostics tools; \$201,600 for additional IT infrastructure and hardware; and \$111,800 for building maintenance and repair.

Agency Request	0.00	0	(819,300)	0	(819,300)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(819,300)</i>	<i>0</i>	<i>(819,300)</i>

Base Adjustments

Transfers \$500,000 in operating expenditures in the Employment Security Special Administration Fund from the Employment Services Program to the Unemployment Insurance Administration Program, and \$37,000 in personnel costs in the federal funds from the Employment Services Program to the Serve Idaho Program. The transfer to Unemployment Insurance Administration will be used align costs of unemployment insurance appeals with the correct program. The transfer to Serve Idaho will help align activity by program. Additionally there is an object transfer from personnel costs to operating expenditures in the federal funds in the Unemployment Insurance Administration Program in the amount of \$4,584,900. Again, this is to better align costs where they are actually occurring.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	681.58	342,200	16,782,200	70,332,600	87,457,000
<i>Governor's Recommendation</i>	<i>681.58</i>	<i>342,200</i>	<i>16,782,200</i>	<i>70,332,600</i>	<i>87,457,000</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	1,000	8,900	138,000	147,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(2,000)</i>	<i>(12,200)</i>	<i>(225,100)</i>	<i>(239,300)</i>
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Replacement Items

Request for replacement items includes three VOIP gateways for \$75,000, a network time protocol for \$50,000 (The Network Time Protocol (NTP) is a networking protocol for clock synchronization between computer systems over packet-switched, variable-latency data networks. NTP is intended to synchronize all participating computers to within a few milliseconds of Coordinated Universal Time (UTC). It uses the intersection algorithm to select accurate time servers and is designed to mitigate the effects of variable network latency. NTP can usually maintain time to within tens of milliseconds over the public Internet, and can achieve better than one millisecond accuracy in local area networks under ideal conditions. Asymmetric routes and network congestion can cause errors of 100 ms or more.), three wireless network controllers for \$60,000, video conferencing equipment for \$50,000, two HVAC rooftop units in Lewiston for \$50,000, flooring and breakroom upgrades and finishes at the Industrial Administrative Building for \$13,000, and two vehicles for \$65,800, for a total of \$363,800 all from the Penalty and Interest Fund.

Agency Request	0.00	0	363,800	0	363,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>363,800</i>	<i>0</i>	<i>363,800</i>

Department of Labor

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$53,100, risk management costs will increase by \$9,000, State Controller fees will increase by \$3,700, and State Treasurer fees will decrease by \$1,200, for a net reduction of \$41,600.

Agency Request	0.00	0	0	(41,600)	(41,600)
Governor's Recommendation	0.00	0	0	(41,600)	(41,600)

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	2,300	63,900	334,900	401,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$7,800 for that purpose.

Governor's Recommendation	0.00	6,900	191,700	1,006,800	1,205,400
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FY 2020 Program Maintenance

Agency Request	681.58	345,500	17,218,800	70,763,900	88,328,200
Governor's Recommendation	681.58	347,100	17,325,500	71,072,700	88,745,300

1. Additional Info Technology

Employment Services

This request for \$426,000 from the Penalty and Interest Fund is to purchase a Cloud Access Storage Broker for \$150,000, Storage Area Network (SAN), or block based storage, for \$126,000, and a Visual Threat Analysis Program for \$150,000. Cloud Access Storage Brokers are used for access control, anomaly detection, deployment flexibility, discovery, data loss prevention, encryption, incident management, threat protection, and detection of shadow IT. Visual Threat Analysis Program provides advanced threat detection and automated response for a wide variety of network, data, and application threats. [Onetime]

Agency Request	0.00	0	426,000	0	426,000
Governor's Recommendation	0.00	0	426,000	0	426,000

Department of Labor

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Gov Initiative - JOBCorps Pilot				Employment Services	
Agency Request	0.00	0	0	0	0
<i>This recommendation will fund the first year of a three year demonstration pilot project for the Job Corps program, which has been run, until this point, by the federal government. Funding will be provided to colleges around the state (initially designated for the College of Western Idaho) for education, training services, guidance, counseling, and other services and support to residential students. The recommendation is lump sum, or exempted from budget laws addressing transfers between object codes.</i>					
<i>On December 21, 2018 the federal government announced a Job Corps Demonstration Project that will make Idaho the first state in the nation to assume operational control of a Job Corps center and the responsibility to provide skills instruction to Job Corps students. Through a federal grant, this State-Operated Job Corps Demonstration Project, known as the Idaho JOBCorps Program, will provide flexibility to the state to develop and implement a customized, state-based, approach to serving Idaho Job Corps students. In July 2019, the Department of Labor will transfer operational control of the Centennial Job Corps Civilian Conservation Center property in Nampa, Idaho, from the U.S. Forest Service to the Idaho Department of Labor.</i>					
<i>The Idaho Department of Labor will be directly responsible for project outreach, recruitment, work-based learning, and employment related services. Initially, the College of Western Idaho will deliver skills instruction at the current Centennial Job Corps Civilian Conservation Center. In the first full grant year, the Idaho JOBCorps Program will serve up to 50 residential students and up to 100 non-residential students through the College of Western Idaho, pending approval from the CWI Board of Trustees. In the second and third years of the grant, the Idaho JOBCorps Program is anticipated to expand to serve up to an additional 150 non-residential students annually at other community colleges in Idaho.</i>					
<i>Job Corps is a federally-funded comprehensive program that provides essential academic and career skills training and prepares students for success in every aspect of their lives. This program was initially created with the Economic Opportunity Act of 1964 as part of the War on Poverty and Great Society initiatives. Job Corps helps young people from disadvantaged backgrounds complete their high school education and trains them for meaningful careers so they can get a good start in the working world. Job Corps gives its students the opportunity to realize their full potential, gain new vocational and academic skills and become mature, responsible and productive adults.</i>					
Governor's Recommendation	0.00	0	0	4,323,500	4,323,500
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	45,200	0	45,200
FY 2020 Total					
Agency Request	681.58	345,500	17,644,800	70,763,900	88,754,200
Governor's Recommendation	681.58	347,100	17,796,700	75,396,200	93,540,000
Agency Request					
Change from Original App	0.00	3,300	43,300	431,300	477,900
% Change from Original App	0.0%	1.0%	0.2%	0.6%	0.5%
Governor's Recommendation					
Change from Original App	0.00	4,900	195,200	5,063,600	5,263,700
% Change from Original App	0.0%	1.4%	1.1%	7.2%	6.0%

Public Utilities Commission

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	6,248,800	6,079,000	6,356,700	6,412,100	6,271,000
Federal	324,000	180,100	325,900	328,700	331,500
Total:	6,572,800	6,259,100	6,682,600	6,740,800	6,602,500
Percent Change:		(4.8%)	6.8%	0.9%	(1.2%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	4,616,100	4,092,900	4,666,000	4,718,700	4,491,000
Operating Expenditures	1,880,600	2,105,700	1,942,800	1,951,700	2,041,100
Capital Outlay	76,100	60,500	73,800	70,400	70,400
Total:	6,572,800	6,259,100	6,682,600	6,740,800	6,602,500
Full-Time Positions (FTP)	52.00	52.00	52.00	52.00	49.00

Department Description

The Idaho Public Utilities Commission (PUC) was established by the 12th Session of the Idaho Legislature and was organized on May 8, 1913. The commission oversees the intrastate operation of investor-owned electric, gas, water, telecommunications utilities, pipelines, and railroads. The commission does not regulate publicly owned municipal, or cooperative utilities. The commission serves the citizens and utilities of Idaho by determining fair, just, and reasonable rates for utility commodities and services to be delivered safely, reliably, and efficiently. After the Legislature removed the motor carrier function from the commission in 1999, the Administration, Utilities, and Regulated Carriers Programs were combined into one program for budgeting purposes. The PUC is divided internally into two divisions: Administration and Utilities.

The Administration Division has management, fiscal, personnel, public affairs, pipeline safety, and railroad safety responsibilities. It provides support services for the agency (Sections 61-301 through 337, Idaho Code). The pipeline safety section oversees the safe operation of interstate oil and natural gas pipelines in Idaho. The rail section oversees the safe operations of railroads that move freight through Idaho and enforces state and federal regulations safeguarding the transportation of hazardous materials by rail. The PUC is federally preempted from regulating railroad rates, charges, routes, and service; but it can still regulate non-economic railroad operations such as abandonment proceedings, enforcing safety regulations, establishing clearance safety rules, and deciding grade crossing disputes. The commission has also entered into a joint state-federal program with the Federal Railroad Administration to promote and enforce federal safety regulations relating to the transportation of hazardous materials by rail in Idaho.

The Utilities Division has audit, engineering, telecommunications, technical analysis, and consumer assistance responsibilities. The audit section advises the commission on auditing, accounting, financing, income tax, and security issues. It participates in all rate cases to determine proper income, expenses, rate bases, and revenue requirements. The engineering, telecommunications, and technical analysis sections are primarily responsible for economic and engineering analysis of rates, rate design, and cost-of-service and technical evaluations of company proposals. The consumer assistance section is responsible for handling customer complaints and specialized information requests.

Programs are funded by the Public Utilities Commission (PUC) Fund which consists of fees collected from the regulated utilities (telecommunications, power, natural gas, and water corporations) in an amount not more than 0.3% of their intrastate revenues (Section 61-1004, Idaho Code) and from railroad corporations, not more than 1% of the gross operating revenues derived from the intrastate business. The pipeline safety program is also partially funded with a federal grant from the US Department of Transportation. In prior years, General Fund expenditures for the salaries and benefits of the commissioners (Section 61-1009, Idaho Code) were reimbursed to the General Fund at year-end from the PUC Fund. However, beginning in FY 2001, the law was changed and commissioners' salaries are now paid from the PUC Fund.

Public Utilities Commission

Analyst: Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	52.00	0	6,682,600	52.00	0	6,682,600
1. Chinden Campus Relocation	0.00	0	2,419,300	0.00	0	2,419,300
FY 2019 Total Appropriation	52.00	0	9,101,900	52.00	0	9,101,900
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	52.00	0	9,101,900	52.00	0	9,101,900
Removal of Onetime Expenditures	0.00	0	(2,511,200)	0.00	0	(2,511,200)
FY 2020 Base	52.00	0	6,590,700	52.00	0	6,590,700
Benefit Costs	0.00	0	16,000	0.00	0	(22,000)
Replacement Items	0.00	0	82,700	0.00	0	82,700
Statewide Cost Allocation	0.00	0	14,700	0.00	0	14,700
Change in Employee Compensation	0.00	0	36,700	0.00	0	108,900
FY 2020 Program Maintenance	52.00	0	6,740,800	52.00	0	6,775,000
1. CEC for Commissioners	0.00	0	0	0.00	0	11,700
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	4,500
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(3.00)	0	(273,600)
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	84,900
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	52.00	0	6,740,800	49.00	0	6,602,500
Change from Original Appropriation	0.00	0	58,200	(3.00)	0	(80,100)
% Change from Original Appropriation			0.9%			(1.2%)

Public Utilities Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	52.00	0	6,356,700	325,900	6,682,600

1. Chinden Campus Relocation

The Public Utilities Commission (PUC) requests \$2,419,300 from the Public Utilities Commission Fund to remodel office space at the Chinden Campus and relocate the agency. The lease for the PUC's current office space will expire on May 31, 2019. In April 2018, the Department of Administration's Division of Public Works (DPW) issued a request for proposals (RFP) on behalf of the PUC for new office space. During the RFP process, the Department of Administration was made aware that the Sykes Corporation, a tenant operating a call center at the Chinden Campus, desired to amend its lease of Building 8, including vacating the first and second floors. DPW submitted a response to the PUC's RFP for the soon to be vacant space, which the agency selected as its preferred option due to its lower long-term cost and the stability of being in a state-owned facility.

The agency paid \$595,000 for a pre-bill to DPW from its FY 2018 appropriation to be applied to its anticipated remodeling costs in FY 2019. The PUC worked with DPW to plan improvements to the space that would be needed prior to the move-in to accommodate its staff and conduct hearings and public meetings. In July 2018, a request for quotation was issued for a design/build team and in September 2018, the Permanent Building Fund Advisory Council approved the selected design/build team of CSHQA/McAlvain. In October 2018, DPW and CSHQA/McAlvain estimated a \$1,440,500 construction budget based on \$75 per square foot and additional pre-construction and design costs. This amount includes the \$595,000 pre-paid amount.

In addition to the costs of the remodel, this request includes amounts needed to purchase and install 42 cubicle workstations, establish a high density filing system and document management process for the PUC's official records, and implement physical security protocols. Also included is funding for moving services, furniture, a new phone system, server, and video conferencing system.

The agency move is scheduled for August 2019. This request also includes \$124,000 to pay three months of rent from June-August 2019 for the PUC's current office space after its lease expires. This amount is being requested as part of the FY 2019 moving costs along with authority to carry over its unencumbered and unspent appropriation balances from FY 2019 into FY 2020 to complete the relocation. Carryover requires legislative approval and is requested as a Budget Law Exemption.

Agency Request	0.00	0	2,419,300	0	2,419,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,419,300</i>	<i>0</i>	<i>2,419,300</i>

FY 2019 Total Appropriation					
Agency Request	52.00	0	8,776,000	325,900	9,101,900
<i>Governor's Recommendation</i>	<i>52.00</i>	<i>0</i>	<i>8,776,000</i>	<i>325,900</i>	<i>9,101,900</i>

Noncognizable Funds and Transfers

This action transfers 0.25 FTP from the Federal Grant Fund to the Public Utilities Commission Fund to align FTP allocation with available program funding.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2019 Estimated Expenditures					
Agency Request	52.00	0	8,776,000	325,900	9,101,900
<i>Governor's Recommendation</i>	<i>52.00</i>	<i>0</i>	<i>8,776,000</i>	<i>325,900</i>	<i>9,101,900</i>

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items (\$91,900 for office IT equipment, software licenses, and furniture) and the supplemental appropriation request (\$2,419,300 for the Chinden Campus relocation) before calculating the FY 2020 Base.

Agency Request	0.00	0	(2,511,200)	0	(2,511,200)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(2,511,200)</i>	<i>0</i>	<i>(2,511,200)</i>

Public Utilities Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Base					
Agency Request	52.00	0	6,264,800	325,900	6,590,700
Governor's Recommendation	52.00	0	6,264,800	325,900	6,590,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	15,400	600	16,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(21,000)	(1,000)	(22,000)
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Replacement Items

Replacement items include \$12,300 for software maintenance and \$70,400 for standard office IT equipment, for a total of \$82,700 from the Public Utilities Commission Fund.

Agency Request	0.00	0	82,700	0	82,700
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Governor's Recommendation	0.00	0	82,700	0	82,700
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$10,400, risk management costs will increase by \$3,400, State Controller fees will increase by \$800, and State Treasurer fees will increase by \$100, for a net increase of \$14,700.

Agency Request	0.00	0	14,700	0	14,700
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Governor's Recommendation	0.00	0	14,700	0	14,700
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Change in Employee Compensation

Employer-paid benefit changes include a 5.4% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	34,500	2,200	36,700
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	0	102,300	6,600	108,900
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FY 2020 Program Maintenance

Agency Request	52.00	0	6,412,100	328,700	6,740,800
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Governor's Recommendation	52.00	0	6,443,500	331,500	6,775,000
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1. CEC for Commissioners

Agency Request	0.00	0	0	0	0
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The Governor recommends a 3% salary increase for commissioners. This increases the annual salary from \$106,868 to \$110,074. Legislation is required to make this change.

Governor's Recommendation	0.00	0	11,700	0	11,700
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GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	4,500	0	4,500
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Public Utilities Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies.</i>					
Governor's Recommendation	(3.00)	0	(273,600)	0	(273,600)
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	84,900	0	84,900
Budget Law Exemptions					
CARRYOVER: The agency requests authority to carry over its unencumbered and unspent balances of amounts appropriated for the Chinden Campus relocation from FY 2019 into FY 2020. Carryover requires legislative approval. Amounts needed to pay rent for existing office space until the agency relocates in August 2019 are included in the FY 2019 supplemental request with the request to carry the unspent balance forward.					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends reappropriation authority for the Chinden Campus relocation funding as the move will not be complete until FY 2020.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	52.00	0	6,412,100	328,700	6,740,800
Governor's Recommendation	49.00	0	6,271,000	331,500	6,602,500
Agency Request					
Change from Original App	0.00	0	55,400	2,800	58,200
% Change from Original App	0.0%		0.9%	0.9%	0.9%
Governor's Recommendation					
Change from Original App	(3.00)	0	(85,700)	5,600	(80,100)
% Change from Original App	(5.8%)		(1.3%)	1.7%	(1.2%)

Idaho Legislative Budget Book

Self-Governing Agencies

2019 Legislative Session

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Self-Governing Agencies

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Building Safety, Division of	14,050,100	13,313,200	14,304,200	15,249,000	15,121,100
Hispanic Affairs, Commission on	337,600	296,900	330,600	333,200	339,700
Historical Society	15,210,900	10,296,500	7,534,200	8,673,400	7,586,100
Libraries, Commission for	5,752,900	5,411,500	5,900,700	5,955,700	5,858,200
Lottery, State	6,189,300	5,025,500	6,057,700	6,099,600	6,130,700
Medical Boards	7,031,800	6,430,400	6,466,800	6,752,100	6,777,300
Public Defense Commission	5,827,700	5,104,600	5,814,800	11,797,900	11,897,200
Regulatory Boards	8,133,900	7,125,800	9,001,900	8,320,200	8,439,000
State Appellate Public Defender	2,889,200	2,640,000	2,948,100	2,982,300	3,011,600
Veterans Services, Division of	44,609,800	33,788,200	34,239,400	78,746,100	78,375,100
Total:	110,033,200	89,432,600	92,598,400	144,909,500	143,536,000
BY FUND CATEGORY					
General	19,234,600	17,055,700	18,553,600	26,069,800	13,762,100
Dedicated	61,537,300	53,557,500	54,907,000	70,038,400	79,415,900
Federal	29,261,300	18,819,400	19,137,800	48,801,300	50,358,000
Total:	110,033,200	89,432,600	92,598,400	144,909,500	143,536,000
Percent Change:		(18.7%)	3.5%	56.5%	55.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	55,259,900	51,503,500	56,282,800	59,382,400	58,444,700
Operating Expenditures	46,429,900	30,708,200	29,113,700	72,636,800	72,034,900
Capital Outlay	2,472,600	2,147,600	1,308,600	1,202,000	1,166,200
Trustee/Benefit	5,870,800	5,073,300	5,893,300	11,688,300	11,890,200
Total:	110,033,200	89,432,600	92,598,400	144,909,500	143,536,000
Full-Time Positions (FTP)	773.70	773.70	782.70	799.50	787.00

Department Description

The Department of Self-Governing Agencies includes: Division of Building Safety, Idaho Commission on Hispanic Affairs, Historical Society, Commission for Libraries, State Lottery, Medical Boards, Public Defense Commission, Regulatory Boards, State Appellate Public Defender and Division of Veterans Services.

Division of Building Safety

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	234,500	234,500	239,600	387,200	246,400
Dedicated	13,666,800	12,923,000	13,908,500	14,310,300	14,385,900
Federal	148,800	155,700	156,100	551,500	488,800
Total:	14,050,100	13,313,200	14,304,200	15,249,000	15,121,100
Percent Change:		(5.2%)	7.4%	6.6%	5.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	11,066,100	10,386,500	11,171,800	11,750,700	11,345,400
Operating Expenditures	2,231,300	2,091,500	2,342,800	2,890,500	3,194,900
Capital Outlay	752,700	835,200	789,600	607,800	580,800
Total:	14,050,100	13,313,200	14,304,200	15,249,000	15,121,100
Full-Time Positions (FTP)	141.00	141.00	147.00	151.30	146.30

Division Description

The Division of Building Safety administers ten programs and houses eight boards.

The ten programs include:

1. Electrical Program - Licenses electricians, issues permits, approves plans, and conducts inspections;
2. Plumbing Program - Licenses plumbers, issues permits, approves plans, and conducts inspections;
3. Building Program - Administers regulatory programs involving the construction and safety of state facilities, prefabricated structures, and mobile or manufactured homes;
4. Heating, Ventilation, and Air Conditioning (HVAC) Program - Establishes qualifications, issues certificates of competency for HVAC installers, and conducts inspections;
5. Underground Damage Prevention Program - Promotes safe excavation practices of underground utility facilities by providing education and enforcement, and storing and analyzing data in hope of protecting public health and safety;
- 6 Office of School Safety and Security Program - Performs security assessments on a triannual basis at all public schools in the state of Idaho as well as building safety inspections;
7. Elevator Program - Provides safety by inspecting elevators to ensure compliance with current codes and safety standards;
8. Industrial Safety Program - Conducts inspections of state facilities and school districts to ensure safe working conditions;
9. Logging Program - Provides first-aid and safety training for loggers, contractors, supervisors not governed by OSHA, and performs inspections; and
10. Public Works Contractor Licensing Program - Licenses contractors, subcontractors and construction managers for public works construction projects.

Additionally there are eight Boards that include: the Electrical Board; the Plumbing Board; the Idaho Building Code Board; the Public Works Contractor License Board; the Heating, Ventilation, and Air Conditioning (HVAC) Board; the Factory Built Structures Advisory Board; the Damage Prevention Board; and the School Safety and Security Advisory Board.

Division of Building Safety

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	147.00	239,600	14,304,200	147.00	239,600	14,304,200
Reappropriation	0.00	0	100,000	0.00	0	100,000
1. Fund Shift Between Programs	0.00	0	0	0.00	0	0
2. Receipt of Donations	0.00	0	30,000	0.00	0	30,000
3. DOT Grant	1.00	0	71,900	1.00	0	71,900
4. Damage Prevention Program	0.00	0	40,000	0.00	0	40,000
5. PUC Sub Grant	0.00	0	44,700	0.00	0	44,700
FY 2019 Total Appropriation	148.00	239,600	14,590,800	148.00	239,600	14,590,800
Noncognizable Funds and Transfers	1.00	0	220,000	1.00	0	220,000
FY 2019 Estimated Expenditures	149.00	239,600	14,810,800	149.00	239,600	14,810,800
Removal of Onetime Expenditures	(1.00)	0	(1,065,100)	(1.00)	0	(1,065,100)
FY 2020 Base	148.00	239,600	13,745,700	148.00	239,600	13,745,700
Benefit Costs	0.00	2,100	39,200	0.00	(700)	(57,500)
Inflationary Adjustments	0.00	0	237,300	0.00	0	237,300
Replacement Items	0.00	0	505,400	0.00	0	505,400
Statewide Cost Allocation	0.00	600	38,500	0.00	600	38,500
Change in Employee Compensation	0.00	3,500	96,000	0.00	6,900	280,800
FY 2020 Program Maintenance	148.00	245,800	14,662,100	148.00	246,400	14,750,200
1. NEEA Grant	1.30	0	125,000	1.30	0	125,300
2. School Security Analyst	1.00	141,400	141,400	0.00	0	0
3. STOP Grant	0.00	0	80,500	0.00	0	80,500
4. School Safety Grant	1.00	0	240,000	1.00	0	175,100
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	13,000
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(4.00)	0	(23,000)
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	151.30	387,200	15,249,000	146.30	246,400	15,121,100
Change from Original Appropriation	4.30	147,600	944,800	(0.70)	6,800	816,900
% Change from Original Appropriation		61.6%	6.6%		2.8%	5.7%

Division of Building Safety

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	147.00	239,600	13,908,500	156,100	14,304,200

Reappropriation

Section 3 of H706 of the 2018 session provided reappropriation authority for any unused and unencumbered funds at the end of FY 2018 up to \$100,000 for the Trackit9 software system upgrade.

Agency Request	0.00	0	100,000	0	100,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>100,000</i>	<i>0</i>	<i>100,000</i>

1. Fund Shift Between Programs

The Division of Building Safety (DBS) requests an ongoing fund shift from the Miscellaneous Industrial Safety Fund to the Miscellaneous Logging Fund in the amount of \$60,100 in personnel costs to reflect the actual personnel needs for the Logging Safety Program.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

2. Receipt of Donations

The Division of Building Safety (DBS) requests \$30,000 in ongoing operating expenditures from the State Regulatory Fund to utilize donations from Intermountain Gas Company. To date, DBS has received \$20,000 in donations and expects to receive an additional \$30,000. DBS has stated that it plans to spend \$15,000 in FY 2019 and \$15,000 in FY 2020. These funds would go to media based advertisements to increase public awareness of damage prevention and safe digging.

Analyst Note: There have not been any donations committed for FY 2021 and a base reduction will be needed at that time.

Agency Request	0.00	0	30,000	0	30,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>30,000</i>	<i>0</i>	<i>30,000</i>

3. DOT Grant

The Division of Building Safety (DBS) requests 1.00 FTP and \$71,900 in ongoing personnel costs to hire a Building Safety Inspector. DBS received a federal grant from the US Department of Transportation for the Underground Damage Prevention Program. The grant will be used to provide training and education on damage prevention.

Analyst Note: This grant spans two fiscal years and a base reduction will be needed for FY 2021.

Agency Request	1.00	0	0	71,900	71,900
<i>Governor's Recommendation</i>	<i>1.00</i>	<i>0</i>	<i>0</i>	<i>71,900</i>	<i>71,900</i>

4. Damage Prevention Program

The Division of Building Safety requests \$40,000 ongoing in operating expenditures from the State Regulatory Fund for increased demand of services for the Underground Damage Prevention Program. These funds will be used by the Underground Damage Prevention Board for costs associated with the program.

Agency Request	0.00	0	40,000	0	40,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>40,000</i>	<i>0</i>	<i>40,000</i>

Division of Building Safety

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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5. PUC Sub Grant

The Division of Building Safety (DBS) requests \$42,700 in ongoing personnel costs and \$2,000 in ongoing operating expenditures from the State Regulatory Fund. The Public Utilities Commission received a US Department of Transportation grant from which it is seeking an MOU with DBS to carry out the obligations of the award. The purpose of this grant is to promote damage prevention including any changes to underground damage prevention laws, required compliance activities, training, and public education. DBS is not requesting an additional FTP as it plans to pay an existing employee with these funds.

Analyst Note: This grant spans two fiscal years and a base reduction will be needed for FY 2021.

Agency Request	0.00	0	44,700	0	44,700
Governor's Recommendation	0.00	0	44,700	0	44,700

FY 2019 Total Appropriation

Agency Request	148.00	239,600	14,123,200	228,000	14,590,800
Governor's Recommendation	148.00	239,600	14,123,200	228,000	14,590,800

Noncognizable Funds and Transfers

Through the noncognizable process the Division of Financial Management approved 1.00 FTP and \$220,000 in onetime federal funds for federal grants that were awarded to the Division. The agency is requesting ongoing funding in line items 3 and 4.

Agency Request	1.00	0	0	220,000	220,000
Governor's Recommendation	1.00	0	0	220,000	220,000

FY 2019 Estimated Expenditures

Agency Request	149.00	239,600	14,123,200	448,000	14,810,800
Governor's Recommendation	149.00	239,600	14,123,200	448,000	14,810,800

Removal of Onetime Expenditures

This action removes expenditures for replacement items, lines items, noncognizable funds, reappropriation, and supplemental appropriations funded on a onetime basis in FY 2019.

Agency Request	(1.00)	0	(845,100)	(220,000)	(1,065,100)
Governor's Recommendation	(1.00)	0	(845,100)	(220,000)	(1,065,100)

FY 2020 Base

Agency Request	148.00	239,600	13,278,100	228,000	13,745,700
Governor's Recommendation	148.00	239,600	13,278,100	228,000	13,745,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	2,100	36,500	600	39,200
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(700)	(56,500)	(300)	(57,500)

Inflationary Adjustments

The Division of Building Safety (DBS) requests \$216,500 or a 6.83% increase in general inflation. Additionally, DBS requests \$20,800 in contract inflation due to the Watertower lease (Meridian) increasing by \$19,400 per year, Glacier Partners lease (Coeur d'Alene) increasing by \$900 per year, and Dales Inc. lease (Pocatello) increasing by \$500 per year.

Agency Request	0.00	0	237,100	200	237,300
Governor's Recommendation	0.00	0	237,100	200	237,300

Division of Building Safety

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
The Division of Building Safety requests \$505,400 for the replacement of vehicles, laptops, three Windows 2016 Datacenter upgrades, a Project Dux Workflow upgrade, three server blades, and computer monitors.					
Agency Request	0.00	0	505,400	0	505,400
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>505,400</i>	<i>0</i>	<i>505,400</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$14,600, risk management costs will increase by \$15,000, State Controller fees will increase by \$8,700, and State Treasurer fees will increase by \$200, for a net increase of \$38,500.

Agency Request	0.00	600	37,400	500	38,500
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>600</i>	<i>37,400</i>	<i>500</i>	<i>38,500</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

In addition, the agency is requesting an ongoing fund shift from the School Security Assessment Fund to the General Fund in the amount of \$1,800 to cover an increase in requested CEC that the School Security Fund would not be able to cover due to a statutory limit of \$300,000.

Agency Request	0.00	3,500	90,800	1,700	96,000
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor also recommends a fund shift of \$1,800 from the Miscellaneous School Revenue Fund to the General Fund due to employee compensation increases that cannot be covered by the Office of School Safety.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>6,900</i>	<i>269,100</i>	<i>4,800</i>	<i>280,800</i>
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FY 2020 Program Maintenance

Agency Request	148.00	245,800	14,185,300	231,000	14,662,100
<i>Governor's Recommendation</i>	<i>148.00</i>	<i>246,400</i>	<i>14,270,600</i>	<i>233,200</i>	<i>14,750,200</i>

1. NEEA Grant

The Division of Building Safety (DBS) requests 1.30 FTP, \$93,300 in ongoing personnel costs, and \$31,700 in ongoing operating expenditures from the State Regulatory Fund for the Northwest Energy Efficiency Alliance (NEEA) grant to be administered through the Association of Idaho Cities via an MOU with DBS to focus on energy efficiency. The grant will partially fund two positions, a Building Safety Manager and an Office Specialist 2. The Building Safety Manager will be 75% funded through the grant and the Office Specialist 2 will be funded 55% through the grant, the matching amounts will be paid with dedicated funds. The grant is to be spent on promoting energy efficiency in residential and commercial buildings by educating decision makers, code officials, architects, engineers, designers, contractors, trades people, remodelers, and homeowners.

Analyst Note: This grant is expected to last three years and a base reduction will be needed for FY 2023.

Agency Request	1.30	0	125,000	0	125,000
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Recommended by the Governor with changes for benefits and compensation.

<i>Governor's Recommendation</i>	<i>1.30</i>	<i>0</i>	<i>125,300</i>	<i>0</i>	<i>125,300</i>
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2. School Security Analyst

The Division of Building Safety (DBS) requests 1.00 FTP, \$100,800 in ongoing personnel costs, and \$27,000 in onetime capital outlay from the General Fund for a School Security Analyst. There has been an increase in requests for service by school officials. DBS requests this position to help provide timely and site specific safety assessments, as well as ongoing consultation and training.

Agency Request	1.00	141,400	0	0	141,400
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Not recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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Division of Building Safety

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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3. STOP Grant

The Division of Building Safety (DBS) requests \$80,500 in ongoing operating expenditures for a US Department of Justice Grant. This grant was awarded in FY 2019 and funds are available for the STOP School Violence Threat Assessment and Technology Reporting Program. DBS plans to partner with computer service consultants to create an anonymous statewide tip line for threats of school violence. The total grant award is \$195,500. The Division of Financial Management approved \$115,000 for FY 2019 with noncognizable authority. DBS is requesting the remainder of the funds ongoing as it is unsure how much will be spent each year.

Analyst Note: This grant is expected to last through FY 2022 and a base reduction will be needed for FY 2023.

Agency Request	0.00	0	0	80,500	80,500
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>80,500</i>	<i>80,500</i>

4. School Safety Grant

The Division of Building Safety (DBS) requests 1.00 FTP, \$135,000 in ongoing personnel costs, and \$105,000 in ongoing operating expenditures for a US Department of Justice grant. This grant was awarded in FY 2019. Funding is to be used for the development of school threat assessment and crisis intervention teams. Additionally, the funds can be used for specialized training for school officials when intervening and responding to individuals with mental illnesses. The total award is for \$345,000. The Division of Financial Management approved \$105,000 for FY 2019 through noncognizable authority and DBS is requesting the remainder of the funds ongoing as it is unsure how much will be spent each year.

Analyst Note: This grant is expected to last through FY 2022 and a base reduction will be needed for FY 2023.

Agency Request	1.00	0	0	240,000	240,000
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
<i>Governor's Recommendation</i>	<i>1.00</i>	<i>0</i>	<i>0</i>	<i>175,100</i>	<i>175,100</i>

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>13,000</i>	<i>0</i>	<i>13,000</i>
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GOV TECH 3. Modernization – Consolidate

Agency Request	0.00	0	0	0	0
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The Governor recommends the consolidation of technology services in specific agencies.

<i>Governor's Recommendation</i>	<i>(4.00)</i>	<i>0</i>	<i>(23,000)</i>	<i>0</i>	<i>(23,000)</i>
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Budget Law Exemptions

The Division of Building Safety requests carryover of the appropriation from the State Regulatory Fund from FY 2019 to FY 2020 for upgrades to the Trackit9 system. The vendor has not yet committed to an implementation date and the agency is not sure it will be accomplished in FY 2019.

REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Division of Building Safety any unexpended and unencumbered balances appropriated to the Division of Building Safety from the State Regulatory Fund for the Trackit9 Software System for fiscal year 2019, not to exceed \$100,000, to be used for nonrecurring expenditures related to the Trackit9 System for the period July 1, 2019, through June 30, 2020.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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Division of Building Safety

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	151.30	387,200	14,310,300	551,500	15,249,000
<i>Governor's Recommendation</i>	<i>146.30</i>	<i>246,400</i>	<i>14,385,900</i>	<i>488,800</i>	<i>15,121,100</i>
Agency Request					
Change from Original App	4.30	147,600	401,800	395,400	944,800
% Change from Original App	2.9%	61.6%	2.9%	253.3%	6.6%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>(0.70)</i>	<i>6,800</i>	<i>477,400</i>	<i>332,700</i>	<i>816,900</i>
<i>% Change from Original App</i>	<i>(0.5%)</i>	<i>2.8%</i>	<i>3.4%</i>	<i>213.1%</i>	<i>5.7%</i>

Commission on Hispanic Affairs

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	187,400	175,400	188,200	190,000	192,500
Dedicated	107,200	99,900	107,400	108,200	112,200
Federal	43,000	21,600	35,000	35,000	35,000
Total:	337,600	296,900	330,600	333,200	339,700
Percent Change:		(12.1%)	11.4%	0.8%	2.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	212,500	185,500	191,400	193,700	194,700
Operating Expenditures	125,100	107,400	139,200	139,500	145,000
Capital Outlay	0	4,000	0	0	0
Total:	337,600	296,900	330,600	333,200	339,700
Full-Time Positions (FTP)	3.00	3.00	3.00	3.00	3.00

Division Description

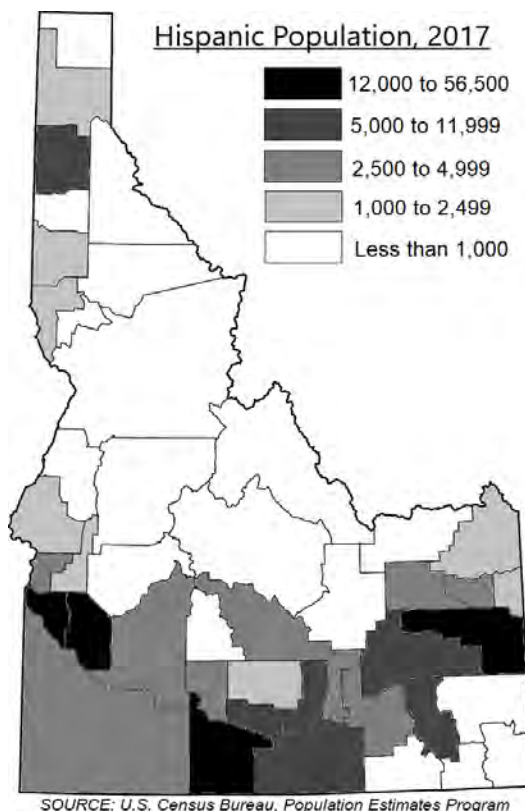
The Idaho Commission on Hispanic Affairs (ICHA) was established by the Legislature in 1987. The commission provides various services to the Hispanic community and serves as a liaison between the community and government entities. Working toward economic, educational, and social equality, the commission addresses issues facing Idaho's Hispanic community. The commission also provides recommendations to the Governor, Legislature, state agencies, and other organizations on issues of interest or concern to Hispanic people.

The community resource development specialist acts as a liaison between the commission, school districts, and the community, and seeks to develop culturally relevant programs for schools, families, and communities. This position also provides technical assistance and other resources to public schools and the State Board of Education to target substance abuse among Hispanic youth. The commission is also staffed by an executive director and an administrative assistant who help promote growth in opportunity for the Hispanic community.

Commission on Hispanic Affairs

Agency Profile

Analyst: Randolph



Hispanic Population, Top 15 counties in Idaho, 2017	
IDAHO STATE	225,755
Canyon	56,525
Ada	39,830
Bonneville	15,671
Twin Falls	14,396
Jerome	8,552
Bingham	8,549
Kootenai	7,855
Bannock	7,823
Minidoka	7,513
Cassia	6,668
Blaine	4,896
Elmore	4,781
Gooding	4,496
Payette	4,179
Owyhee	3,146

Fund Source and Description

1. General Fund (0001)

The General Fund supports personnel costs and operating expenditures.

2. Federal Grant (0348)

Money in this fund comes from a cooperative agreement with the Bureau of Community and Environmental Health within the Idaho Department of Health and Welfare, and the Centers for Disease Control Office on Smoking and Health.

3. Miscellaneous Revenue (0349)

This fund consists of donations, miscellaneous receipts, non-federal grants, and cigarette tax money. Receipts are designated for the development and implementation of a program to enhance awareness and appreciation of the Hispanic heritage and culture in Idaho. Tobacco tax money is used in partnership with the educational school systems to provide substance abuse prevention programs to Hispanic students.

Annual Budget by Fund: Dollar Amount and Percent of Total

FUND	FY 2017 Actual		FY 2018 Actuals		FY 2019 Ori. Approp.		FY 2020 Request	
	Dollar Amount	% of Total	Dollar Amount	% of Total	Dollar Amount	% of Total	Dollar Amount	% of Total
0001	\$134,200	51%	\$175,400	59%	\$188,200	57%	\$190,000	57%
0348	26,500	10%	21,600	7%	35,000	11%	35,000	11%
0349	100,400	38%	99,900	34%	107,400	32%	108,200	32%
TOTAL	\$261,100	100%	\$296,900	100%	\$330,600	100%	\$333,200	100%

Commission on Hispanic Affairs

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	3.00	188,200	330,600	3.00	188,200	330,600
FY 2020 Base	3.00	188,200	330,600	3.00	188,200	330,600
Benefit Costs	0.00	500	700	0.00	(800)	(1,300)
Statewide Cost Allocation	0.00	200	300	0.00	200	300
Change in Employee Compensation	0.00	1,100	1,600	0.00	3,300	4,600
FY 2020 Program Maintenance	3.00	190,000	333,200	3.00	190,900	334,200
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	200
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	2,100
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	1,600	3,200
FY 2020 Total	3.00	190,000	333,200	3.00	192,500	339,700
Change from Original Appropriation	0.00	1,800	2,600	0.00	4,300	9,100
% Change from Original Appropriation		1.0%	0.8%		2.3%	2.8%

Commission on Hispanic Affairs

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	3.00	188,200	107,400	35,000	330,600
FY 2020 Base					
Agency Request	3.00	188,200	107,400	35,000	330,600
Governor's Recommendation	3.00	188,200	107,400	35,000	330,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	500	200	0	700
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(800)	(500)	0	(1,300)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$300, risk management costs will increase by \$300, State Controller fees will increase by \$200, and State Treasurer fees will increase by \$100, for a net increase of \$300.

Agency Request	0.00	200	100	0	300
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Governor's Recommendation	0.00	200	100	0	300
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	1,100	500	0	1,600
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	3,300	1,300	0	4,600
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FY 2020 Program Maintenance					
Agency Request	3.00	190,000	108,200	35,000	333,200
Governor's Recommendation	3.00	190,900	108,300	35,000	334,200

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	200	0	200
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GOV TECH 2. Mobile Device Security

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding to provide security of state information that is used on mobile technology.

Governor's Recommendation	0.00	0	2,100	0	2,100
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GOV TECH 4. Modernization – Admin Billing

Agency Request	0.00	0	0	0	0
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The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.

Governor's Recommendation	0.00	1,600	1,600	0	3,200
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Commission on Hispanic Affairs

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	3.00	190,000	108,200	35,000	333,200
<i>Governor's Recommendation</i>	<i>3.00</i>	<i>192,500</i>	<i>112,200</i>	<i>35,000</i>	<i>339,700</i>
Agency Request					
Change from Original App	0.00	1,800	800	0	2,600
% Change from Original App	0.0%	1.0%	0.7%	0.0%	0.8%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>4,300</i>	<i>4,800</i>	<i>0</i>	<i>9,100</i>
<i>% Change from Original App</i>	<i>0.0%</i>	<i>2.3%</i>	<i>4.5%</i>	<i>0.0%</i>	<i>2.8%</i>

Idaho State Historical Society

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	4,952,800	3,864,900	4,042,400	5,046,100	4,065,600
Dedicated	7,884,600	5,109,900	1,910,900	2,012,300	1,920,500
Federal	2,373,500	1,321,700	1,580,900	1,615,000	1,600,000
Total:	15,210,900	10,296,500	7,534,200	8,673,400	7,586,100
Percent Change:		(32.3%)	(26.8%)	15.1%	0.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,900,300	3,103,600	4,064,000	4,464,600	4,242,300
Operating Expenditures	10,883,800	6,692,300	3,057,700	3,969,100	3,108,700
Capital Outlay	265,200	337,500	250,900	78,100	73,500
Trustee/Benefit	161,600	163,100	161,600	161,600	161,600
Total:	15,210,900	10,296,500	7,534,200	8,673,400	7,586,100
Full-Time Positions (FTP)	55.00	55.00	55.00	58.00	57.00

Division Description

The Idaho State Historical Society is a system of cultural and historic resources composed of the Idaho State Museum, Idaho State Archives, State Historic Preservation Office, and Historic Sites Program. The agency was established by statute in 1907 and is organized within the Department of Self-Governing Agencies. The agency's core functions, as stated by Chapter 41, Title 67, Idaho Code, are that the agency's trustees shall:

- 1) Identify, preserve, and protect sites, monuments, and points of interest in Idaho of historic merit (Section 67-4114, Idaho Code);
- 2) Protect archaeological and vertebrate paleontological sites and resources on public land (Section 67-4119, Idaho Code);
- 3) Govern the agency and administer the powers and duties required to preserve and protect any historical record of the history and culture of Idaho (Section 67-4123, Idaho Code);
- 4) Encourage and promote interest in the state of Idaho and collect, preserve, and exhibit artifacts/information illustrative of Idaho history, culture, and society (Section 67-4126, Idaho Code);
- 5) Facilitate the use of records for official reference and historical research (Section 67-4126(6), Idaho Code);
- 6) Be responsible for records management services for state government and accept archival material from local governments (Section 67-4126(7), Idaho Code);
- 7) Serve as the Geographic Names Board of the state (Section 67-4126(15), Idaho Code);
- 8) Carry out the preservation and protection of the state's historic, archeological, architectural, and cultural heritage resources (Chapter 46, Title 67, Idaho Code);
- 9) Provide for the creation of an Idaho Archeological Survey (Section 33-3901, Idaho Code);
- 10) Be responsible for consolation, determination of appropriate actions, and providing for reinternment of human remains that have been disturbed (Chapter 5, Title 27, Idaho Code); and
- 11) Administer the National Historic Preservation Act that assigns responsibility to the state historic preservation officer for administration of the national historic preservation program at the state level (54 U.S.C. 300101).

Idaho State Historical Society

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	55.00	4,042,400	7,534,200	55.00	4,042,400	7,534,200
1. Idaho State Museum	0.00	0	1,500,000	0.00	0	1,500,000
FY 2019 Total Appropriation	55.00	4,042,400	9,034,200	55.00	4,042,400	9,034,200
Removal of Onetime Expenditures	0.00	(153,000)	(1,780,000)	0.00	(153,000)	(1,780,000)
FY 2020 Base	55.00	3,889,400	7,254,200	55.00	3,889,400	7,254,200
Benefit Costs	0.00	5,800	9,900	0.00	(16,300)	(29,400)
Replacement Items	0.00	137,600	137,600	0.00	106,800	106,800
Statewide Cost Allocation	0.00	(14,800)	(14,800)	0.00	(14,800)	(14,800)
Change in Employee Compensation	0.00	18,800	34,000	0.00	52,300	94,400
FY 2020 Program Maintenance	55.00	4,036,800	7,420,900	55.00	4,017,400	7,411,200
1. Staff to 85% of Policy	0.00	0	175,000	0.00	0	0
2. Cultural Resource Info Sys (ICRIS)	0.00	690,000	690,000	0.00	0	0
3. Museum Maintenance Craftsman	1.00	54,000	54,000	1.00	0	52,000
4. Museum Educator	1.00	4,100	72,300	1.00	0	69,500
5. Security/Fire Vulnerability Assessment	0.00	48,000	48,000	0.00	48,000	48,000
6. Dedicated Buyer	1.00	68,200	68,200	0.00	0	0
7. Collections Inventory	0.00	85,000	85,000	0.00	0	0
8. Increased Digital Storage	0.00	60,000	60,000	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	4,200
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	1,000
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	200	200
FY 2020 Total	58.00	5,046,100	8,673,400	57.00	4,065,600	7,586,100
Change from Original Appropriation	3.00	1,003,700	1,139,200	2.00	23,200	51,900
% Change from Original Appropriation		24.8%	15.1%		0.6%	0.7%

Idaho State Historical Society

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	55.00	4,042,400	1,910,900	1,580,900	7,534,200

1. Idaho State Museum

The agency requests \$1,500,000 onetime from dedicated funds to spend down raised funds and close out the contract held for the Idaho State Museum exhibitions. The agency, through a multi-year capital fundraising campaign, raised over \$4 million dollars. However, due to delays in building expansion and renovation the end date of the project pushed past the anticipated end of fiscal year finish date and part of the FY 2018 appropriation was reverted. This request would allow the agency to spend down the raised capital, and finish final touches on the Idaho State Museum.

Agency Request	0.00	0	1,500,000	0	1,500,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>1,500,000</i>	<i>0</i>	<i>1,500,000</i>

FY 2019 Total Appropriation					
Agency Request	55.00	4,042,400	3,410,900	1,580,900	9,034,200
<i>Governor's Recommendation</i>	<i>55.00</i>	<i>4,042,400</i>	<i>3,410,900</i>	<i>1,580,900</i>	<i>9,034,200</i>

Removal of Onetime Expenditures

Removes onetime expenditures for replacement items appropriated in FY 2019, and the supplemental request of \$1,500,000 in dedicated funds.

Agency Request	0.00	(153,000)	(1,627,000)	0	(1,780,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(153,000)</i>	<i>(1,627,000)</i>	<i>0</i>	<i>(1,780,000)</i>

FY 2020 Base					
Agency Request	55.00	3,889,400	1,783,900	1,580,900	7,254,200
<i>Governor's Recommendation</i>	<i>55.00</i>	<i>3,889,400</i>	<i>1,783,900</i>	<i>1,580,900</i>	<i>7,254,200</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	5,800	2,100	2,000	9,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(16,300)</i>	<i>(7,700)</i>	<i>(5,400)</i>	<i>(29,400)</i>
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Replacement Items

The agency requests onetime appropriation to replace: computer hardware including 16 desktop computers, four laptops, five tablets, 20 monitors, five printers, one photo scanner; five VoIP phones; 125 Adobe licenses for Acrobat and Photoshop; one ScanPro microfilm scanner; a book scanner; 20 tables and 80 chairs at the Idaho History Center; to seal three ISHS parking lots; and replace one-third of lights within agency buildings with LED lightbulbs.

Agency Request	0.00	137,600	0	0	137,600
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The Governor does not recommend the replacement of three parking lots, for a difference of \$30,800 from the General Fund.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>106,800</i>	<i>0</i>	<i>0</i>	<i>106,800</i>
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$4,800, risk management costs will decrease by \$12,000, State Controller fees will increase by \$1,900, and State Treasurer fees will increase by \$100, for a net reduction of \$14,800.

Agency Request	0.00	(14,800)	0	0	(14,800)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(14,800)</i>	<i>0</i>	<i>0</i>	<i>(14,800)</i>

Idaho State Historical Society

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	18,800	7,000	8,200	34,000
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	52,300	18,200	23,900	94,400
FY 2020 Program Maintenance					
Agency Request	55.00	4,036,800	1,793,000	1,591,100	7,420,900
Governor's Recommendation	55.00	4,017,400	1,794,400	1,599,400	7,411,200
1. Staff to 85% of Policy					
The agency requests \$175,000 from dedicated and federal funds in personnel costs to increase staff salaries to 85% of policy. This is year one of a four year plan to increase staff salaries to 100% of policy, all of which will utilize dedicated and federal funding. The agency states that due to low competitive compensation, it experiences significant difficulties in recruiting for positions, having experienced at least four failed recruitments in the past year including the position of state archaeologist. The agency also reports high turnover in many highly-skilled positions.					
Agency Request	0.00	0	151,100	23,900	175,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. Cultural Resource Info Sys (ICRIS)					
The agency requests \$690,000 onetime operating expenditures from the General Fund for a development project to purchase and install a Cultural Resource Information System (ICRIS). As of 2016, five other states have implemented a CRIS system to assist with public access to resource records. This is the second year the agency has requested this line item, and it has received no prior funding. The agency asserts the system will go live 12 to 18 months after receiving the appropriation. ICRIS will provide real time access to State Historic Preservation Office (SHPO) records. The agency asserts this level of access will cut down on staff response time due to significant cross-checking required during a records request, will create a digital submission for requests, make the tracking and communication process involved both internally and with the external requestor more efficient, and significantly streamline the entire request process.					
Agency Request	0.00	690,000	0	0	690,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Museum Maintenance Craftsman					
The agency requests 1.00 FTP and \$54,000, of which \$4,100 is onetime, from the General Fund to hire a museum maintenance craftsman to work at the newly opened state museum. Of this request, \$49,900 is ongoing for personnel costs and \$4,100 is onetime capital outlay. Currently, there is no dedicated maintenance staff at the museum, and the agency employs 3.00 FTP to maintain 60 buildings statewide. Based on projections, the museum should see an estimated 115,000 guests per year and at least one event a week. The agency asserts this position will ensure the museum building and adjacent Pioneer Village campus are maintained at 100% working order, including overseeing on-site contract performance such as janitorial and related maintenance systems.					
Agency Request	1.00	54,000	0	0	54,000
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	52,000	0	52,000

Idaho State Historical Society

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Museum Educator					
The agency requests 1.00 FTP and \$72,300 to hire an educator to work at the newly opened Idaho State Museum. Of the request, \$68,200 is ongoing personnel cost from the dedicated fund and \$4,100 is onetime capital outlay from the General Fund. Currently, the agency has 1.00 FTP for an education specialist. The agency asserts the newly opened Idaho State Museum is projected to host 23,000 visiting students, and that educational opportunities will be limited to these students due to limited staff without this additional position.					
Agency Request	1.00	4,100	68,200	0	72,300
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	69,500	0	69,500
5. Security/Fire Vulnerability Assessment					
The agency requests \$48,000 onetime from the General Fund to conduct a security/fire vulnerability assessment across all of the agency's buildings around the Treasure Valley. This systems survey and vulnerability assessment is needed to evaluate disparate systems in 12 buildings and sites that evolved separately over time. This assessment will be used to prioritize upgrades and enhancements to align systems and increase future cost savings through efficiencies. Anticipated efficiencies include system-wide code complaint technology (i.e., fire panels, sprinklers systems, and security panels), alignment of multiple monitoring contracts, and enhanced communications between agency sites and emergency services (police and fire). The vulnerability assessment will provide a comprehensive future work plan, detailed scope of work for improvements, and an estimate of future costs.					
Agency Request	0.00	48,000	0	0	48,000
Governor's Recommendation	0.00	48,000	0	0	48,000
6. Dedicated Buyer					
The agency requests 1.00 FTP and \$68,200 from the General Fund to support an agency buyer to act as the primary resource in the agency for contract procurement in working with the Division of Purchasing. Of the amount requested, \$63,600 is ongoing for personnel costs and \$4,600 is onetime capital outlay. The agency asserts it has grown in the last decade in terms of services and programs. With this growth and complexity of services, it is necessary for a single staff contact to maintain the appropriate technical experience to perform market research, develop specifications and scopes of work, monitor existing contracts, and respond to complex agency-wide needs with an eye toward efficiencies and legal requirements.					
Agency Request	1.00	68,200	0	0	68,200
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
7. Collections Inventory					
The agency requests \$85,000 ongoing from the General Fund for a detailed inventory of the collections held by the agency at the Whitewater Storage Complex on the Idaho Transportation Department (ITD) campus on State Street in Boise. This request would cover year one of a projected 3.5 year project, totaling \$270,000. The agency asserts it does not have an accurate count of the collection objects it holds and existing catalogue records are solely on paper and not available in a digital format. Any current catalogue records do not state a specific location of the object, resulting in inadequate insurance coverage based on estimates.					
Agency Request	0.00	85,000	0	0	85,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
8. Increased Digital Storage					
The agency requests \$60,000 onetime for operating expenditures from the General Fund to purchase an additional 20 terabytes of storage from the Office of Information Technology Services (OITS) datacenter. The agency plans to use this additional storage to backup unstable mediums of collections such as cassette and VHS tapes that hold oral histories and movies and are pushing up against degradation that would make them irretrievable. This storage will also hold digital records such as oral histories, governor's official records that are in digital (i.e. photographs), constituent records in digital form, maps, photographs, and manuscripts.					
Agency Request	0.00	60,000	0	0	60,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Idaho State Historical Society

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	3,700	500	4,200
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	900	100	1,000
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	200	0	0	200
FY 2020 Total					
Agency Request	58.00	5,046,100	2,012,300	1,615,000	8,673,400
Governor's Recommendation	57.00	4,065,600	1,920,500	1,600,000	7,586,100
Agency Request					
Change from Original App	3.00	1,003,700	101,400	34,100	1,139,200
% Change from Original App	5.5%	24.8%	5.3%	2.2%	15.1%
Governor's Recommendation					
Change from Original App	2.00	23,200	9,600	19,100	51,900
% Change from Original App	3.6%	0.6%	0.5%	1.2%	0.7%

Idaho Commission for Libraries

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	4,025,300	3,988,600	4,193,000	4,502,000	4,137,700
Dedicated	70,000	22,500	70,000	70,000	73,300
Federal	1,657,600	1,400,400	1,637,700	1,383,700	1,647,200
Total:	5,752,900	5,411,500	5,900,700	5,955,700	5,858,200
Percent Change:		(5.9%)	9.0%	0.9%	(0.7%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,631,000	2,567,500	2,789,300	2,673,400	2,688,700
Operating Expenditures	2,560,900	2,387,800	2,631,400	2,694,300	2,616,900
Capital Outlay	111,000	25,600	30,000	30,000	30,000
Trustee/Benefit	450,000	430,600	450,000	558,000	522,600
Total:	5,752,900	5,411,500	5,900,700	5,955,700	5,858,200
Full-Time Positions (FTP)	37.50	37.50	37.50	37.50	37.50

Division Description

The Idaho Commission for Libraries (ICfL) assists in statewide library development, and provides continuing education and consultant services to the library community. Idaho's library community consists of 147 public library buildings that are open year-round, evenings, and weekends, as well as school and academic libraries. ICfL also coordinates various statewide programs, administers grants, advocates for library services, and facilitates planning for library development. ICfL's statutory authority is found in Chapter 25, Title 33, Idaho Code.

The ICfL is governed by the Board of Library Commissioners and organized within the Department of Self-Governing Agencies. Prior to July 1, 2009, ICfL was organized within the State Board of Education. The state librarian is appointed by the Board of Library Commissioners and serves as ICfL's chief executive officer. The state librarian is charged with implementing the board's policies and rules, and with managing the operations of the commission. The commission has office locations in Boise, Moscow, and Idaho Falls.

Idaho Commission for Libraries

Agency Profile

Analyst: Randolph

Selected Performance Measures				
	FY 2015	FY 2016	FY 2017	FY 2018
Education Opportunity Resource Act Broadband Program (Chapter 56, Title 33, Idaho Code)				
Public Libraries Participating	-	-	57	67
E-rate Amount Reimbursed	-	-	\$142,100	\$170,000
LiLI Databases Full Text Access	2,307,486	2,473,942	2,529,588	4,966,184
Talking Book Service				
Patrons	3,556	3,679	3,423	3,548
Circulations	220,086	186,960	184,826	212,732
Attendance at Public Libraries**	8,730,670	8,657,494	8,594,183	8,029,503
Continuing Library Education				
Events Sponsored	31	33	61	29
Participants	573	948	1,313	537
E-Course Completions	7,520	9,187	10,336	8,803

** Most libraries operate on the federal fiscal year of October 1 - September 30. The latest data from public libraries therefore lags by one year.

Fund Source & Description

1. General Fund (0001)

Generally used to maintain basic operations at the agency, such as personnel costs, library online services and databases, supplies, office space, telephone, postal, insurance, and educational materials.

2. Federal Grant (0348)

Federal grant moneys include the Library Services and Technology Act (LSTA) (20 USC 9121 et seq.) as authorized by the Museum and Library Services Act (20 USC 9101 et seq.). The grant is administered by the Institute of Museums and Library Services. Additional moneys are received from the National Endowment for the Humanities (NEH) General Programs, as well as other federal grant sources.

3. Miscellaneous Revenue (0349)

Miscellaneous revenue includes patron donations, as well as grant and foundation funds. Revenues received may be matched with federal grants.

4. Library Services Improvement Fund (0304)

This fund receives and disburses moneys through appropriations and donations as described in Section 33-2506, Idaho Code. The balances in this fund are invested by the State Treasurer and earned interest is returned to the fund. Private grant and foundation funds may also be deposited. *This fund is continuously appropriated and is therefore not calculated in the agency's total appropriation for budgeting purposes.* The fund balance as of October 2018 was approximately \$215,300.

Annual Budget by Fund: Dollar Amount and Percent of Total								
FUND	FY 2017 Actual		FY 2018 Actual		FY 2019 Ori. Approp.		FY 2020 Request	
	Dollar Amount	Percent of Total	Dollar Amount	Percent of Total	Dollar Amount	Percent of Total	Dollar Amount	Percent of Total
0001	\$3,964,000	75%	\$3,988,600	74%	\$4,193,000	71%	\$4,502,000	76%
0348	1,293,500	24%	1,400,400	26%	1,637,700	28%	1,383,700	23%
0349	47,900	1%	22,500	0%	70,000	1%	70,000	1%
TOTAL	\$5,305,400	100%	\$5,411,500	100%	\$5,900,700	100%	\$5,955,700	100%
0304	\$29,300		\$140,800		-		-	

Idaho Commission for Libraries

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	37.50	4,193,000	5,900,700	37.50	4,193,000	5,900,700
1. LiLI Contract Extension	0.00	54,000	54,000	0.00	0	0
2. Broadband Reimbursement	0.00	12,600	12,600	0.00	0	0
FY 2019 Total Appropriation	37.50	4,259,600	5,967,300	37.50	4,193,000	5,900,700
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	37.50	4,259,600	5,967,300	37.50	4,193,000	5,900,700
Removal of Onetime Expenditures	0.00	(285,800)	(285,800)	0.00	(219,200)	(219,200)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	37.50	3,973,800	5,681,500	37.50	3,973,800	5,681,500
Benefit Costs	0.00	7,800	10,100	0.00	(12,600)	(18,400)
Statewide Cost Allocation	0.00	53,600	53,600	0.00	53,600	53,600
Change in Employee Compensation	0.00	16,700	21,800	0.00	50,300	65,600
FY 2020 Program Maintenance	37.50	4,051,900	5,767,000	37.50	4,065,100	5,782,300
1. Talking Book Service - Fund Shift	0.00	342,100	80,700	0.00	0	0
2. Kindergarten Readiness	0.00	60,000	60,000	0.00	60,000	60,000
3. Education Opportunity Resource Act	0.00	48,000	48,000	0.00	12,600	12,600
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	3,300
FY 2020 Total	37.50	4,502,000	5,955,700	37.50	4,137,700	5,858,200
Change from Original Appropriation	0.00	309,000	55,000	0.00	(55,300)	(42,500)
% Change from Original Appropriation		7.4%	0.9%		(1.3%)	(0.7%)

Idaho Commission for Libraries

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	37.50	4,193,000	70,000	1,637,700	5,900,700

1. LiLI Contract Extension

The commission requests an additional \$54,000 in onetime funds from the General Fund to fulfill contractual obligations with new database and electronic resource vendors. The previous contract for database and electronic resources ended at the close of FY 2018, and after sending out contracts to bid through the Division of Purchasing for new database management contracts, the winning contractors disputed the terms and conditions of the contract. Division of Purchasing extended the contract with the existing contractors, for a period of three months at a rate of \$23,000 a month. The commission was able to pay one month of this extension period at the end of FY 2018 with salary savings, but needs additional funds to pay the remaining extension amount as the Division of Purchasing requires the agency to have sufficient funding for the entirety of the year contracted for.

Agency Request	0.00	54,000	0	0	54,000
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The Governor recommends using part of the \$200,000 onetime FY 2019 General Fund Talking Book Service appropriation for the Libraries Linking Idaho contract extension.

Analyst Note: Section 3 of Senate Bill 1334 of 2018 states, "Of the amount appropriated in Section 1 of this act, \$200,000 from the General Fund, or so much therefor as is necessary, shall be used solely to pay personnel costs and operating expenditures of the Talking Book Service in the event that the Library Services and Technology Act grant funding is eliminated. Any remaining unexpended and unencumbered amounts not so used shall revert to the General Fund." A federal appropriation bill was signed into law on September 28, 2018, and included full funding for the Library Services and Technology Act, so the funds referred to in Section 3 of S1334 are unavailable for use, barring legislative action.

Governor's Recommendation	0.00	0	0	0	0
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2. Broadband Reimbursement

The commission requests \$12,600 onetime from the General Fund to pay for broadband reimbursement (E-rate) through the Education Opportunity Resource (EOR) Act, Section 33-5601, Idaho Code. Currently, the FY 2019 Original Appropriation contains \$180,000. Based on funding requests submitted for FY 2019, Idaho libraries will be eligible for \$192,600 in state broadband reimbursement, which represents a 7% increase. If not funded, the agency will face a shortfall of \$12,600 in the current fiscal year and asserts it will cut programming if faced with this shortfall.

Agency Request	0.00	12,600	0	0	12,600
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The Governor recommends using part of the \$200,000 onetime FY 2019 General Fund Talking Book Service appropriation for public library broadband reimbursement.

Analyst Note: Section 3 of Senate Bill 1334 of 2018 states, "Of the amount appropriated in Section 1 of this act, \$200,000 from the General Fund, or so much therefor as is necessary, shall be used solely to pay personnel costs and operating expenditures of the Talking Book Service in the event that the Library Services and Technology Act grant funding is eliminated. Any remaining unexpended and unencumbered amounts not so used shall revert to the General Fund." A federal appropriation bill was signed into law on September 28, 2018, and included full funding for the Library Services and Technology Act, so the funds referred to in Section 3 of S1334 are unavailable for use, barring legislative action.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Total Appropriation					
Agency Request	37.50	4,259,600	70,000	1,637,700	5,967,300
Governor's Recommendation	37.50	4,193,000	70,000	1,637,700	5,900,700

Noncognizable Funds and Transfers

Transfers \$42,000 from operating expenditures to trustee and benefit payments within the General Fund for a net zero effect, to support the Kindergarten Readiness grant program.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Idaho Commission for Libraries

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Estimated Expenditures					
Agency Request	37.50	4,259,600	70,000	1,637,700	5,967,300
<i>Governor's Recommendation</i>	37.50	4,193,000	70,000	1,637,700	5,900,700

Removal of Onetime Expenditures

Removes onetime expenditures, including \$200,000 appropriated to the Talking Book Service as onetime money, and replacement items. Also removes the two supplemental requests for FY 2019.

Agency Request	0.00	(285,800)	0	0	(285,800)
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The Governor recommended using other funds for the two agency requested supplementals, resulting in a difference of \$66,600 from the General Fund.

<i>Governor's Recommendation</i>	0.00	(219,200)	0	0	(219,200)
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Base Adjustments

Reverses FY 2019 object transfer of \$42,000 from operating expenditures to trustee and benefit payments within the General Fund supporting the Kindergarten Readiness grant program.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

<i>Governor's Recommendation</i>	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	37.50	3,973,800	70,000	1,637,700	5,681,500
<i>Governor's Recommendation</i>	37.50	3,973,800	70,000	1,637,700	5,681,500

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	7,800	0	2,300	10,100
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	0.00	(12,600)	0	(5,800)	(18,400)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$700, risk management costs will increase by \$4,800, State Controller fees will increase by \$1,400, and State Treasurer fees will increase by \$100, for a net increase of \$5,600.

This request also includes \$48,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 21.1%.

Agency Request	0.00	53,600	0	0	53,600
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<i>Governor's Recommendation</i>	0.00	53,600	0	0	53,600
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Idaho Commission for Libraries

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	16,700	0	5,100	21,800
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	50,300	0	15,300	65,600
FY 2020 Program Maintenance					
Agency Request	37.50	4,051,900	70,000	1,645,100	5,767,000
Governor's Recommendation	37.50	4,065,100	70,000	1,647,200	5,782,300

1. Talking Book Service - Fund Shift

The commission requests an ongoing fund shift of 6.00 FTP and \$261,400 in personnel costs from the Federal Grant Fund to the General Fund as well as an additional \$80,700 ongoing for operating expenditures from the General Fund for a total request from the General Fund of \$342,100, to support the Talking Book Service (TBS). This request would move two shipping and receiving positions and four customer service representatives from the Federal Grant Fund to the General Fund. The FY 2020 Base supports 1.00 FTP split between a library consultant and a volunteer coordinator for \$79,600 from the General Fund. The \$80,700 requested ongoing for operating expenses would support a TBS integrated library system contract, braille contract, and staff travel for outreach and annual national National Library Service meeting. The commission is not at risk of losing funding if personnel costs remain on federal funds; however grants available from the commission to libraries in Idaho are non-existent due to the amount personnel costs for TBS take from the overall federal funds. Faced with an 18% reduction from the General Fund in FY 2010, the commission moved TBS staff and operating expenditures from the General Fund to the Federal Grant Fund, where they have remained.

Agency Request	0.00	342,100	0	(261,400)	80,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

2. Kindergarten Readiness

The commission requests \$60,000 ongoing from the General Fund in trustee and benefit payments to make grants available for public libraries to focus on kindergarten readiness. There is currently no support for this program in the FY 2020 Base. The Kindergarten Readiness grant program will provide funding to help public libraries partner with local school districts and other community organizations to reach children and their families before the child enters school. Public libraries who apply for grants must: partner with school districts and/or community organizations; propose projects that must include a tool to measure the success and impact of the program; and provide interim and final reports toward program goals.

Agency Request	0.00	60,000	0	0	60,000
Governor's Recommendation	0.00	60,000	0	0	60,000

Idaho Commission for Libraries

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Education Opportunity Resource Act					
The commission requests \$48,000 ongoing from the General Fund to increase the broadband reimbursement (E-rate) funding for Idaho public libraries through the Education Opportunity Resource (EOR) Act (Section 33-5601, Idaho Code). The FY 2020 Base contains \$180,000 from the General Fund available for broadband reimbursement. This request represents a 26.5% increase to bring the total amount available for EOR to \$228,000. The agency requested a supplemental appropriation for FY 2019 of \$12,600 to fund the 7% increase from FY 2018 to FY 2019. This request is for \$12,600 plus an additional \$35,400 to support a projected 25% increase in EOR funding requests in FY 2020. The EOR Act states that the Education Opportunity Recourse Committee must "establish reimbursement methodology that includes ... distribution of appropriated moneys to E-rate eligible entities that have received E-rate funding. Distribution of such moneys must be in an amount equal to the non-E-rate reimbursed cost of internet services" (Section 33-5604, Idaho Code).					
Agency Request	0.00	48,000	0	0	48,000
<i>The Governor recommends \$12,600 from the General Fund for public library broadband reimbursement based on actual costs. The Governor recommends any additional funding be considered as an FY 2020 supplemental.</i>					
Governor's Recommendation	0.00	12,600	0	0	12,600
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	3,300	0	3,300
FY 2020 Total					
Agency Request	37.50	4,502,000	70,000	1,383,700	5,955,700
Governor's Recommendation	37.50	4,137,700	73,300	1,647,200	5,858,200
Agency Request					
Change from Original App	0.00	309,000	0	(254,000)	55,000
% Change from Original App	0.0%	7.4%	0.0%	(15.5%)	0.9%
Governor's Recommendation					
Change from Original App	0.00	(55,300)	3,300	9,500	(42,500)
% Change from Original App	0.0%	(1.3%)	4.7%	0.6%	(0.7%)

State Lottery

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	6,189,300	5,025,500	6,057,700	6,099,600	6,130,700
Percent Change:		(18.8%)	20.5%	0.7%	1.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,340,400	3,185,700	3,361,200	3,402,900	3,429,700
Operating Expenditures	2,728,800	1,720,300	2,602,500	2,575,200	2,579,500
Capital Outlay	120,100	119,500	94,000	121,500	121,500
Total:	6,189,300	5,025,500	6,057,700	6,099,600	6,130,700
Full-Time Positions (FTP)	45.00	45.00	45.00	45.00	45.00

Division Description

Voters approved the creation of a state lottery in November 1988, and the Idaho Lottery was established in 1989. The mission of the Idaho Lottery is to maximize net income and the resulting annual dividend payment for Idaho public buildings and schools. The Idaho Lottery's net income has therefore historically been split equally between the Permanent Building Fund and the School District Building Fund.

In 2009, H275 provided that, beginning on July 1, 2009, so long as transfers to the Permanent Building Fund and the School District Building Fund reach FY 2008 levels or \$17,000,000 for each fund, transfers of net income to the Permanent Building Fund and School District Building Fund shall decrease to three-eighths each, and the remaining one-fourth of net lottery income shall transfer to the Bond Levy Equalization Fund. The legislation was originally set to expire September 30, 2014, but H478 of 2014 extended the sunset date to July 1, 2019, and S1206 of 2017 made the distribution permanent.

Since its inception in 1989, the lottery has distributed over \$840 million in dividends to the Permanent Building Fund and School District Building Fund. The Idaho Lottery Commission is a five-member board appointed by the Governor. Appointees serve five-year terms. The commission adopts rules for the agency, approves contracts, and monitors Idaho Lottery operations.

State Lottery Agency Profile

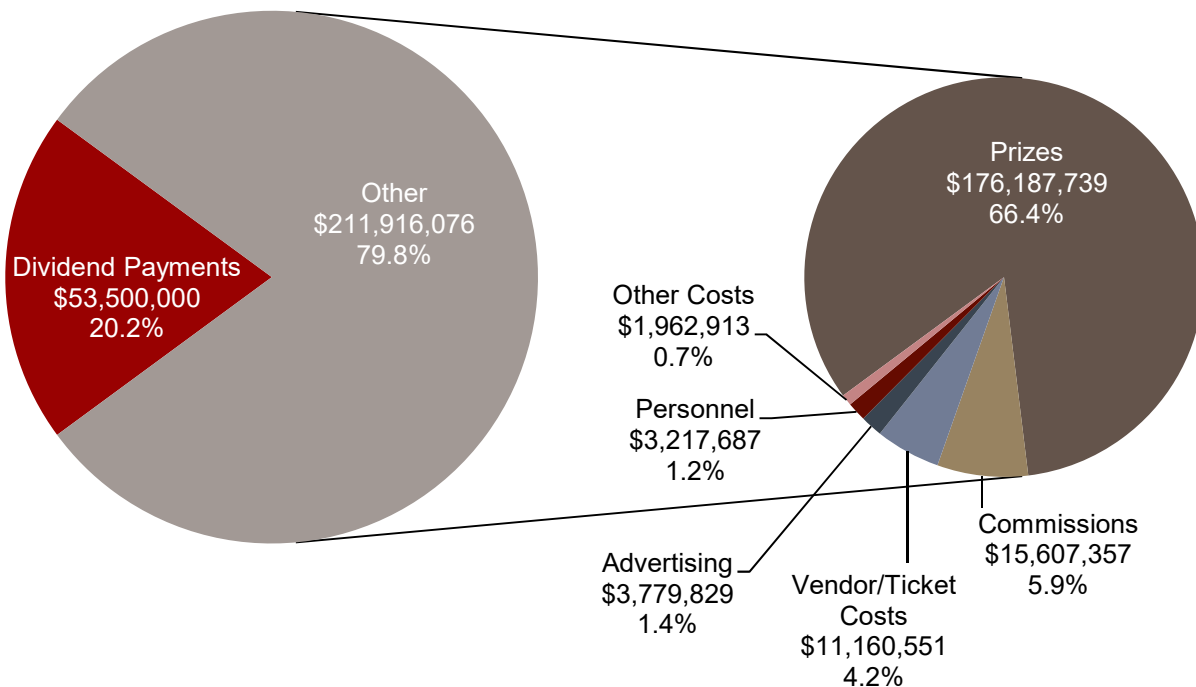
Analyst: Smith

REVENUE DISTRIBUTION

Statutory Requirements §67-7430 et.seq., Idaho Code:

1. Prize payout shall be no less than 45% of lottery revenues.
2. Administrative costs shall not exceed 15% of lottery revenue during any fiscal year.
3. Advertising and promotional costs shall not exceed 3.5% of lottery revenue during any fiscal year.

FY 2018 Revenue Collections \$265,416,076



REVENUE DISTRIBUTION FY 2016 - FY 2018

	FY 2016	FY 2017	FY 2018
Dividend Payments	\$49,500,000	\$48,500,000	\$53,500,000
Prizes	\$153,649,679	\$160,304,895	\$176,187,739
Commissions	\$13,840,216	\$14,063,068	\$15,607,357
Vendor/Ticket Costs	\$9,250,326	\$9,796,518	\$11,160,551
Advertising	\$3,941,500	\$3,431,517	\$3,779,829
Personnel	\$2,764,064	\$2,955,874	\$3,217,687
Other Costs	\$1,669,528	\$1,762,262	\$1,962,913
Total	\$234,615,313	\$240,814,134	\$265,416,076

State Lottery Agency Profile

Analyst: Smith

DIVIDEND PAYMENTS

Statutory Requirements §67-7434, Idaho Code:

1. Lottery dividends shall be split three ways.
 - a. Three-eighths (3/8) shall be transferred to the Permanent Building Fund.
 - b. Three-eighths (3/8) shall be transferred to the School District Building Fund.
 - c. One-fourth (1/4) shall be transferred to the Bond Levy Equalization Fund.
2. The lottery shall ensure that distributions made to the Permanent Building Fund and the School District Building Fund shall not be less than the amount those accounts received for FY 2008 (\$17,000,000 each)
 - a. If total dividends are less than 2008 levels, then the dividend shall be split 50-50 between the permanent building fund and school district building fund.
3. If a full one-fourth (1/4) of the dividend cannot be distributed, the difference shall be deducted from the portion going to bond levy equalization.

Due to timing, revenues are distributed in the fiscal year following the year in which they are collected.

Fiscal Year Distributed	Permanent Building Fund	School Buildings Fund	Bond Levy Equalization	Total Dividend Payment
2008	\$17,000,000	\$17,000,000		\$34,000,000
2009	\$17,000,000	\$17,000,000	\$750,000	\$34,750,000
2010	\$17,000,000	\$17,000,000	\$1,000,000	\$35,000,000
2011	\$17,000,000	\$17,000,000	\$2,500,000	\$36,500,000
2012	\$17,000,000	\$17,000,000	\$3,000,000	\$37,000,000
2013	\$17,000,000	\$17,000,000	\$7,500,000	\$41,500,000
2014	\$18,075,000	\$18,075,000	\$12,050,000	\$48,200,000
2015	\$18,375,000	\$18,375,000	\$12,250,000	\$49,000,000
2016	\$17,000,000	\$17,000,000	\$11,000,000	\$45,000,000
2017	\$18,562,500	\$18,562,500	\$12,375,000	\$49,500,000
2018	\$18,187,500	\$18,187,500	\$12,125,000	\$48,500,000
2019	\$20,062,500	\$20,062,500	\$13,375,000	\$53,500,000
2020*	\$20,437,500	\$20,437,500	\$13,625,000	\$54,500,000

**Amount shown is a forecast based on historical growth in Lottery dividend payments.*

State Lottery

Comparative Summary

Analyst: Smith

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	45.00	0	6,057,700	45.00	0	6,057,700
Removal of Onetime Expenditures	0.00	0	(40,600)	0.00	0	(40,600)
Base Adjustments	0.00	0	(32,300)	0.00	0	(32,300)
FY 2020 Base	45.00	0	5,984,800	45.00	0	5,984,800
Benefit Costs	0.00	0	13,200	0.00	0	(16,100)
Replacement Items	0.00	0	68,100	0.00	0	68,100
Statewide Cost Allocation	0.00	0	5,000	0.00	0	5,000
Change in Employee Compensation	0.00	0	28,500	0.00	0	84,600
FY 2020 Program Maintenance	45.00	0	6,099,600	45.00	0	6,126,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	4,300
FY 2020 Total	45.00	0	6,099,600	45.00	0	6,130,700
Change from Original Appropriation	0.00	0	41,900	0.00	0	73,000
% Change from Original Appropriation			0.7%			1.2%

State Lottery

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	45.00	0	6,057,700	0	6,057,700
Removal of Onetime Expenditures					
This action removes amounts appropriated in FY 2019 for onetime replacement items (\$40,600 for computer workstations and network hardware).					
Agency Request	0.00	0	(40,600)	0	(40,600)
Governor's Recommendation	0.00	0	(40,600)	0	(40,600)
Base Adjustments					
The agency requests a base reduction in operating expenditures from the State Lottery Fund due to savings from cybersecurity software that had been previously budgeted for but was found to not be necessary according to the Office of Information Technology Services.					
Agency Request	0.00	0	(32,300)	0	(32,300)
Governor's Recommendation	0.00	0	(32,300)	0	(32,300)
FY 2020 Base					
Agency Request	45.00	0	5,984,800	0	5,984,800
Governor's Recommendation	45.00	0	5,984,800	0	5,984,800
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	0	13,200	0	13,200
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	0	(16,100)	0	(16,100)
Replacement Items					
Replacement items include \$68,100 for computers and servers from the State Lottery Fund.					
Agency Request	0.00	0	68,100	0	68,100
Governor's Recommendation	0.00	0	68,100	0	68,100
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$2,300, risk management costs will increase by \$3,400, State Controller fees will increase by \$2,300, and State Treasurer fees will increase by \$1,600, for a net increase of \$5,000.					
Agency Request	0.00	0	5,000	0	5,000
Governor's Recommendation	0.00	0	5,000	0	5,000
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	28,500	0	28,500
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	84,600	0	84,600
FY 2020 Program Maintenance					
Agency Request	45.00	0	6,099,600	0	6,099,600
Governor's Recommendation	45.00	0	6,126,400	0	6,126,400

State Lottery

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	4,300	0	4,300
FY 2020 Total					
Agency Request	45.00	0	6,099,600	0	6,099,600
Governor's Recommendation	45.00	0	6,130,700	0	6,130,700
Agency Request					
Change from Original App	0.00	0	41,900	0	41,900
% Change from Original App	0.0%		0.7%		0.7%
Governor's Recommendation					
Change from Original App	0.00	0	73,000	0	73,000
% Change from Original App	0.0%		1.2%		1.2%

Medical Boards

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Board of Dentistry	573,400	508,200	567,200	569,800	578,100
Board of Medicine	2,275,200	1,977,900	1,931,800	2,103,600	2,094,700
Board of Nursing	1,544,300	1,485,700	1,540,500	1,657,700	1,655,800
Board of Pharmacy	2,336,500	2,175,200	2,028,700	2,114,600	2,140,900
Board of Veterinary Medicine	302,400	283,400	398,600	306,400	307,800
Total:	7,031,800	6,430,400	6,466,800	6,752,100	6,777,300
BY FUND CATEGORY					
Dedicated	7,031,800	6,430,400	6,466,800	6,752,100	6,777,300
Percent Change:		(8.6%)	0.6%	4.4%	4.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	3,608,700	3,428,900	3,708,500	3,903,400	3,902,400
Operating Expenditures	3,118,500	2,681,600	2,744,000	2,737,000	2,763,200
Capital Outlay	304,600	319,900	14,300	111,700	111,700
Total:	7,031,800	6,430,400	6,466,800	6,752,100	6,777,300
Full-Time Positions (FTP)	48.20	48.20	49.20	51.20	51.20

Division Description

The Division of Medical Boards includes five boards that regulate various medically-related professions in Idaho. Descriptions of each of the medical boards are as follows:

The Board of Dentistry assures the public health, safety, and welfare in the state of Idaho by providing for the licensure and regulation of dentists and dental hygienists. Revenues are generated from licensing, regulatory fees, photocopying, and fines.

The Board of Medicine assures the health, safety, and welfare of the public by providing for the licensure and regulation of physicians and other health care providers. Revenues are generated from licensing and registration fees, printed materials, and rosters.

The Board of Nursing regulates nursing practice and education for the purpose of safeguarding the public health, safety, and welfare. Revenues are generated from licensing, exam fees, endorsements, and renewal and reinstatement fees.

The Board of Pharmacy promotes, preserves, and protects the health, safety, and welfare of the public through the effective control and regulation of the practice of pharmacy. Revenues are generated from licensing, registrations, exam fees, fines, and practitioner lists.

The Board of Veterinary Medicine administers and enforces state laws regarding licensure of persons providing veterinary medical services and upholds the quality of those services in Idaho. Revenues are generated from licensing, exam fees, certifications, and fines.

Medical Boards

Analyst: Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	49.20	0	6,466,800	49.20	0	6,466,800
1. Database Upgrade Completion	0.00	0	178,500	0.00	0	178,500
2. Retirement Vacation Payout	0.00	0	20,600	0.00	0	20,600
FY 2019 Total Appropriation	49.20	0	6,665,900	49.20	0	6,665,900
Removal of Onetime Expenditures	0.00	0	(325,600)	0.00	0	(325,600)
FY 2020 Base	49.20	0	6,340,300	49.20	0	6,340,300
Benefit Costs	0.00	0	13,400	0.00	0	(20,300)
Inflationary Adjustments	0.00	0	7,700	0.00	0	7,700
Replacement Items	0.00	0	95,000	0.00	0	95,000
Statewide Cost Allocation	0.00	0	20,600	0.00	0	6,100
Change in Employee Compensation	0.00	0	31,200	0.00	0	93,000
FY 2020 Program Maintenance	49.20	0	6,508,200	49.20	0	6,521,800
1. Lease for 2nd Office Suite - BOM	0.00	0	33,200	0.00	0	0
2. Management Assistant FTP - BOM	1.00	0	62,400	1.00	0	61,700
3. Additional Board Resources - BOM	0.00	0	41,500	0.00	0	41,500
4. Additional Copier Lease - BOM	0.00	0	4,800	0.00	0	0
5. Reclassify Four Employees - BON	0.00	0	27,700	0.00	0	0
6. Six Cell Phones - BON	0.00	0	5,500	0.00	0	5,500
7. Administrative Assistant FTP - BON	1.00	0	49,200	1.00	0	48,500
8. Microsoft Office 365 - BON	0.00	0	0	0.00	0	3,300
9. Licensing System Maintenance - BOP	0.00	0	19,600	0.00	0	19,600
10. Microsoft Office 365 - BOP	0.00	0	0	0.00	0	4,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	4,300
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	25,200
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	41,100
FY 2020 Total	51.20	0	6,752,100	51.20	0	6,777,300
Change from Original Appropriation	2.00	0	285,300	2.00	0	310,500
% Change from Original Appropriation			4.4%			4.8%

Medical Boards

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	49.20	0	6,466,800	0	6,466,800

1. Database Upgrade Completion

Board of Medicine

The Board of Medicine requests \$178,500 in onetime operating expenditures from the State Regulatory Fund to complete year three of its licensing database upgrade. The project was anticipated to be completed by June 2018, however the vendor had to address unexpected and time sensitive database changes for other state agencies in order to comply with statutory changes and credit card processing requirements, which delayed the Board of Medicine's upgrade. The amount requested is within the originally planned budget for the project, but due to timing the amount needed to complete the upgrade was not encumbered prior to FY 2018 close and the funds were reverted. The board requests that the funds authorized in FY 2018 be authorized as a supplemental in FY 2019 to enable the vendor to complete the project.

Agency Request	0.00	0	178,500	0	178,500
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>178,500</i>	<i>0</i>	<i>178,500</i>

2. Retirement Vacation Payout

Board of Nursing

The Board of Nursing requests \$20,600 in onetime personnel costs from the State Regulatory Fund to pay out unused vacation benefits for the executive director upon her retirement in FY 2019.

Agency Request	0.00	0	20,600	0	20,600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>20,600</i>	<i>0</i>	<i>20,600</i>

FY 2019 Total Appropriation

Agency Request	49.20	0	6,665,900	0	6,665,900
<i>Governor's Recommendation</i>	<i>49.20</i>	<i>0</i>	<i>6,665,900</i>	<i>0</i>	<i>6,665,900</i>

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items, line items, and supplemental requests before calculating the FY 2020 Base. FY 2019 onetime replacement items include \$1,700 for a desk and printer (Board of Veterinary Medicine). FY 2019 onetime line items include: \$7,000 for office IT equipment and wall panels (Board of Medicine), \$12,800 for IT/Telecommunications upgrades (Board of Nursing), and \$105,000 for online licensing software (Board of Veterinary Medicine). FY 2019 supplemental requests include: \$178,500 to complete a database upgrade (Board of Medicine) and \$20,600 for a retirement vacation payout (Board of Nursing).

Agency Request	0.00	0	(325,600)	0	(325,600)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(325,600)</i>	<i>0</i>	<i>(325,600)</i>

FY 2020 Base

Agency Request	49.20	0	6,340,300	0	6,340,300
<i>Governor's Recommendation</i>	<i>49.20</i>	<i>0</i>	<i>6,340,300</i>	<i>0</i>	<i>6,340,300</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	13,400	0	13,400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(20,300)</i>	<i>0</i>	<i>(20,300)</i>
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Inflationary Adjustments

Board of Pharmacy

The Board of Pharmacy requests a total of \$7,700 from the State Regulatory Fund for the following inflationary adjustments: \$5,200 for increased credit card processing fees as all of its applications are now processed online, and \$2,500 for a 2.5% contractual increase for leased office space.

Agency Request	0.00	0	7,700	0	7,700
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>7,700</i>	<i>0</i>	<i>7,700</i>

Medical Boards

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
The Board of Medicine requests onetime operating expenditures from the State Regulatory Fund to upgrade to Windows 10 (\$1,500) and onetime capital outlay to replace standard office IT equipment and two office chairs (\$12,100).					
The Board of Nursing requests onetime capital outlay from the State Regulatory Fund to replace 15 desktop computers and upgrade to Windows 10 (\$15,000), four SnapScan Scanners (\$3,200), and file and other cabinet upgrades for 13 cubicles (\$13,000).					
The Board of Pharmacy requests onetime capital outlay from the State Regulatory Fund to replace 14 desktop computers and monitors (\$18,800) and to replace its analog phone system with a VOIP system (\$16,600). Additionally, Pharmacy requests \$12,000 in onetime operating expenditures to update 26 Adobe Acrobat licenses.					
The Board of Veterinary Medicine requests onetime capital outlay from the State Regulatory Fund to replace a printer (\$1,200), desk (\$500), and electronic state seal stamp (\$1,100).					
Agency Request	0.00	0	95,000	0	95,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>95,000</i>	<i>0</i>	<i>95,000</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. The net total increase for the Medical Boards is \$20,600 from the State Regulatory Fund.

Board of Dentistry: Attorney General fees will decrease by \$1,400, risk management costs will increase by \$300, and State Controller fees will increase by \$200, for a net reduction of \$900.

Board of Medicine: Attorney General fees will increase by \$2,900, risk management costs will increase by \$400, State Controller fees will increase by \$1,400, and Office of Information Technology Services billings will increase by \$4,400, for a net increase of \$9,100.

Board of Nursing: Attorney General fees will increase by \$2,400, risk management costs will decrease by \$500, State Controller fees will increase by \$200, State Treasurer fees will increase by \$100, and Office of Information Technology Services billings will increase by \$3,300, for a net increase of \$5,500.

Board of Pharmacy: Attorney General fees will decrease by \$10,200, risk management costs will increase by \$400, State Controller fees will increase by \$300, and Office of Information Technology Services billings will increase by \$6,800, for a net reduction of \$2,700.

Board of Veterinary Medicine: Attorney General fees will increase by \$3,400, risk management costs will increase by \$5,800, and State Controller fees will increase by \$400, for a net increase of \$9,600.

Agency Request	0.00	0	20,600	0	20,600
<i>The Governor recommends adjustments to the cost of Office of Information Technology Services support within the technology modernization initiative.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>6,100</i>	<i>0</i>	<i>6,100</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	31,200	0	31,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>93,000</i>	<i>0</i>	<i>93,000</i>

Medical Boards

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	49.20	0	6,508,200	0	6,508,200
<i>Governor's Recommendation</i>	<i>49.20</i>	<i>0</i>	<i>6,521,800</i>	<i>0</i>	<i>6,521,800</i>

1. Lease for 2nd Office Suite - BOM

Board of Medicine

The Board of Medicine requests \$33,200 in ongoing operating expenditures from the State Regulatory Fund to lease additional office space. On October 1, 2018, the board relocated from its office in west Boise to an office space closer to downtown, the Capitol, and other state agencies. The new office space is owned by the same property owners as the previous space, which enabled the board to maintain its current lease. The board requests additional appropriation for its lease of a second unit adjacent to its new office which provides an additional 2,910 square feet. The board's previous office space was 4,167 square feet, and the addition of this second suite represents a net increase of 1,287 square feet to accommodate its staff and allow for anticipated growth. Contract inflation for the two leased spaces will be 3% annually.

Agency Request	0.00	0	33,200	0	33,200
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Not recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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2. Management Assistant FTP - BOM

Board of Medicine

The Board of Medicine requests 1.00 FTP and \$62,400 from the State Regulatory Fund to hire a management assistant to provide administrative support to the board's executive director, associate director, attorney, and licensing manager. Of this amount, \$57,400 is for ongoing personnel costs and \$5,000 is for onetime capital outlay for a computer and workstation for the new employee. This position would be filled at 80% of policy for pay grade J or \$18.68 per hour. The management assistant would perform legal research; interpret and apply regulations, policies, and procedures; plan, organize, implement, and evaluate special projects; compile, develop, and summarize material for reports including financial reports; analyze information, identify problems, define alternatives, and develop recommendations for management; communicate and interact with other agencies; and coordinate meetings and events.

Agency Request	1.00	0	62,400	0	62,400
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Recommended by the Governor with changes for benefits and compensation.

<i>Governor's Recommendation</i>	<i>1.00</i>	<i>0</i>	<i>61,700</i>	<i>0</i>	<i>61,700</i>
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3. Additional Board Resources - BOM

Board of Medicine

The Board of Medicine requests a total of \$41,500 from the State Regulatory Fund to provide for additional compensation, meeting costs, and laptops for its board members. Pending proposed legislation that would amend the Medical Practice Act, the agency requests \$17,000 in personnel costs to add three new members to its board and one of its committees and to raise the board and committee member honoraria from \$50 to \$100 per day. The new members would include a physician assistant to the Board of Medicine, bringing the total number of board members from 10 to 11, and an additional physician assistant and a public member to its Physician Assistant Advisory Committee, increasing the committee size from 3 to 5 members. The request also includes \$2,100 in operating expenditures to extend board meetings from one to two days to accommodate increased workload. For cybersecurity reasons, the board has included \$22,400 in onetime capital outlay for 16 new laptops for its members. These laptops would be dedicated for committee work and meet security and firewall requirements to ensure that confidential information reviewed by the board remained secure.

Analyst Note: The \$17,000 in personnel costs may need to be addressed separately in a trailer appropriation depending on the status of the proposed legislation at the time of budget setting.

Agency Request	0.00	0	41,500	0	41,500
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<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>41,500</i>	<i>0</i>	<i>41,500</i>
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Medical Boards

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Additional Copier Lease - BOM					Board of Medicine
The Board of Medicine requests \$4,800 in ongoing operating expenditures from the State Regulatory Fund to lease a second copier to accommodate the printing, scanning, and copying workflow of its expanded office space and staff.					
Agency Request	0.00	0	4,800	0	4,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. Reclassify Four Employees - BON					Board of Nursing
The Board of Nursing requests \$27,700 in ongoing personnel costs from the State Regulatory Fund to reclassify four employees at the recommendation of the Department of Human Resources (DHR). DHR's analysis was that as of October 19, 2018, four employees were misclassified according to their job duties and were required to be reclassified upward one pay grade by November 18, 2018, in accordance with IDAPA 15.04.01.067.01. DHR also recommended pay increases for three of the four employees totaling \$19,900 based on a statewide compensation analysis and the employees' years of service. Additionally, the executive director requests a pay increase for the fourth employee being reclassified. At a minimum, the agency is required to increase the employees' pay to the minimum rate of their new higher pay grades, which would total \$7,100. The agency plans to implement the recommended pay increases for all four employees in the current fiscal year utilizing salary savings from a vacant position, but the full amount for the increases is requested as a line item for FY 2020 to ensure adequate funding for the positions in future years.					
Agency Request	0.00	0	27,700	0	27,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. Six Cell Phones - BON					Board of Nursing
The Board of Nursing requests \$5,500 (\$1,800 in onetime capital outlay and \$3,700 in ongoing operating expenditures) from the State Regulatory Fund for six cell phones for staff use during off-site meetings, conferences, and on-call work, in order to provide secure access to email and other applications.					
Agency Request	0.00	0	5,500	0	5,500
Governor's Recommendation	0.00	0	5,500	0	5,500
7. Administrative Assistant FTP - BON					Board of Nursing
The Board of Nursing requests 1.00 FTP and \$49,200 from the State Regulatory Fund to hire an administrative assistant. Of this amount, \$48,200 is for ongoing personnel costs and \$1,000 is for onetime capital outlay to provide office equipment for the new employee. This position would assist with the processing of license applications and practice complaints. According to the agency, the number of applications processed and new applications issued have increased 22% in the past seven years and the number of complaints filed has more than doubled in the same seven-year period.					
Agency Request	1.00	0	49,200	0	49,200
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	48,500	0	48,500
8. Microsoft Office 365 - BON					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends funding for the Board of Nursing to upgrade to Microsoft Office 365 as recommended by the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	3,300	0	3,300

Medical Boards

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
9. Licensing System Maintenance - BOP			Board of Nursing		
The Board of Pharmacy requests \$19,600 in ongoing operating expenditures from the State Regulatory Fund for the annual maintenance of its new licensing management system, which began operating in July 2018. The system is a software as a service which, according to the agency, has added significant functionality and efficiencies for both registrants and staff. The first year of maintenance was included in the initial build cost. In FY 2020, the agency will begin paying the annual maintenance fee of \$103,500. The agency has \$83,900 in its existing appropriation for its previous licensing system. This request reflects the difference between the previous system's maintenance costs and the new system's ongoing costs.					
Agency Request	0.00	0	19,600	0	19,600
Governor's Recommendation	0.00	0	19,600	0	19,600
10. Microsoft Office 365 - BOP			Board of Pharmacy		
Agency Request	0.00	0	0	0	0
The Governor recommends funding for the Board of Pharmacy to upgrade to Microsoft Office 365 as recommended by the Office of Information Technology Services.					
Governor's Recommendation	0.00	0	4,800	0	4,800
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends the consolidation of technology services in specific agencies.					
Governor's Recommendation	0.00	0	4,300	0	4,300
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding to provide security of state information that is used on mobile technology.					
Governor's Recommendation	0.00	0	25,200	0	25,200
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.					
Governor's Recommendation	0.00	0	41,100	0	41,100
FY 2020 Total					
Agency Request	51.20	0	6,752,100	0	6,752,100
Governor's Recommendation	51.20	0	6,777,300	0	6,777,300
Agency Request					
Change from Original App	2.00	0	285,300	0	285,300
% Change from Original App	4.1%		4.4%		4.4%
Governor's Recommendation					
Change from Original App	2.00	0	310,500	0	310,500
% Change from Original App	4.1%		4.8%		4.8%

Public Defense Commission

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	5,827,700	5,104,600	5,814,800	11,797,900	894,400
Dedicated	0	0	0	0	11,002,800
Total:	5,827,700	5,104,600	5,814,800	11,797,900	11,897,200
Percent Change:		(12.4%)	13.9%	102.9%	104.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	555,700	552,600	561,600	759,000	646,900
Operating Expenditures	246,300	249,400	227,500	266,900	245,200
Capital Outlay	0	0	0	9,300	5,100
Trustee/Benefit	5,025,700	4,302,600	5,025,700	10,762,700	11,000,000
Total:	5,827,700	5,104,600	5,814,800	11,797,900	11,897,200
Full-Time Positions (FTP)	6.00	6.00	6.00	8.50	7.00

Division Description

The Public Defense Commission was created by statute in 2014. Pursuant to Section 19-849, Idaho Code, the commission consists of nine members as follows:

- 1) Two members of the Idaho Legislature, one from each chamber;
- 2) One person appointed by the Chief Justice of the Idaho Supreme Court; and
- 3) Six people appointed by the Governor, to include representatives from the Idaho Association of Counties (2), Office of the State Appellate Public Defender (1), and Juvenile Justice Commission (1), as well as attorneys with experience defending indigent persons (2).

The commission is charged with promulgating administrative rules regarding public defender training and continuing legal education; data reporting; requirements for contracts between counties and private attorneys for the provision of public defense services; procedures for grant applications with which counties can apply for state funds to offset the cost of compliance with indigent defense standards; procedures for administrative review of commission decisions; and procedures for the creation, oversight, implementation, enforcement, and modification of indigent defense standards with which public defenders must comply.

The commission is also charged with making recommendations to the Idaho Legislature regarding funding issues and formulas.

The commission is permitted to hire an executive director; employ persons in addition to the executive director; provide an office, equipment, and facilities for the proper performance of the duties of the commission and/or the duties of the executive director and other personnel; provide training to public defenders; establish procedures by which counties may apply for extraordinary litigation costs; and hire private counsel to represent the commission.

Public Defense Commission

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	6.00	5,814,800	5,814,800	6.00	5,814,800	5,814,800
1. Training Director	1.00	39,500	39,500	0.00	0	0
2. Public Defender Training	0.00	15,000	15,000	0.00	0	0
3. Extraordinary Litigation Costs	0.00	177,000	177,000	0.00	0	0
FY 2019 Total Appropriation	7.00	6,046,300	6,046,300	6.00	5,814,800	5,814,800
Removal of Onetime Expenditures	0.00	(5,600)	(5,600)	0.00	0	0
FY 2020 Base	7.00	6,040,700	6,040,700	6.00	5,814,800	5,814,800
Benefit Costs	0.00	2,200	2,200	0.00	(2,300)	(2,300)
Inflationary Adjustments	0.00	2,800	2,800	0.00	2,800	2,800
Statewide Cost Allocation	0.00	1,800	1,800	0.00	1,800	1,800
Annualizations	0.00	68,300	68,300	0.00	0	0
Change in Employee Compensation	0.00	5,100	5,100	0.00	15,300	15,300
FY 2020 Program Maintenance	7.00	6,120,900	6,120,900	6.00	5,832,400	5,832,400
1. Research Analyst	1.00	83,300	83,300	1.00	84,000	84,000
2. Part-time Admin Asst	0.50	33,700	33,700	0.00	0	0
3. Formula Grants With 15% Cap	0.00	299,200	299,200	0.00	0	0
4. Formula Grants With 20% Cap	0.00	1,660,800	1,660,800	0.00	0	0
5. Workload Standard Compliance	0.00	3,600,000	3,600,000	0.00	0	0
6. New Funding Methodology	0.00	0	0	0.00	5,974,300	16,974,300
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	500
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	2,300
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	3,700	3,700
Cash Transfers	0.00	0	0	0.00	(11,000,000)	(11,000,000)
FY 2020 Total	8.50	11,797,900	11,797,900	7.00	894,400	11,897,200
Change from Original Appropriation	2.50	5,983,100	5,983,100	1.00	(4,920,400)	6,082,400
% Change from Original Appropriation		102.9%	102.9%		(84.6%)	104.6%

Public Defense Commission

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	6.00	5,814,800	0	0	5,814,800

1. Training Director

The commission requests 1.00 FTP and \$39,500 from the General Fund to hire a training director/regional coordinator during the current fiscal year. Of the total amount requested, \$22,800 is in ongoing personnel costs for salary and benefits; \$11,100 is in ongoing operating expenditures for incidental costs such as employee travel, etc.; \$500 is in onetime operating expenditures for computer maintenance and configuration; and \$5,100 is in onetime capital outlay for computer equipment and office furniture. According to the commission, existing staff does not have adequate time or resources to perform all duties associated with training county public defenders as contemplated by Section 19-850(2)(d), Idaho Code. Further, the commission asserts that its regional coordinator for its central region is overburdened by coordinating 18 counties. The position requested here would be dedicated to training (75%) and regional coordination (25%). Training responsibilities would include coordination of statewide orientation and training of institutional, contract, and conflict defending attorneys, in addition to investigators, social workers, paralegals, and other support staff. Regional coordination duties would primarily involve conducting formal annual county reviews. This request would fund all costs associated with the position in operating expenditures and capital outlay. For personnel costs, the request would fund 25% of the current fiscal year, leaving the remaining amount to be requested as a FY 2020 annualization.

Agency Request	1.00	39,500	0	0	39,500
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Public Defender Training

This request is for \$15,000 in ongoing operating expenditures from the General Fund to provide training to Idaho public defenders. H634 of 2014 originally appropriated \$110,000 in trustee and benefit payments to the commission to be provided directly to counties for public defender training. However, after H504 of 2016 amended Section 19-850(2)(d), Idaho Code, to permit the commission to provide training to public defenders on behalf of the counties, H578 of 2016 transferred the \$110,000 appropriation from trustee and benefit payments to operating expenditures. The commission has since used its training funds to pay membership dues, host seminars for public defenders, and provide scholarships to attend out-of-state training opportunities. For example, in FY 2017 the commission spent a total of \$123,700 for these purposes as follows: \$3,940 to pay annual dues to the National Association of Public Defenders on behalf of 197 individuals; \$110,305 for five seminars that were attended by 351 individuals; and \$9,455 in scholarships to eight individuals. As the commission exceeded its training appropriation in FY 2017, the commission requests additional funding for these purposes. Further, public defenders are now required to annually complete seven hours of continuing legal education courses relevant to the representation of indigent defendants pursuant to the commission's Standards for Defending Attorneys, as incorporated by reference in IDAPA 61.01.07.004.02. This request was originally sought as a line item for FY 2019 but was not recommended by the Governor or funded by the Legislature.

Agency Request	0.00	15,000	0	0	15,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Public Defense Commission

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Extraordinary Litigation Costs					
The agency requests \$177,000 in ongoing trustee and benefit payments from the General Fund to provide to counties for extraordinary litigation costs (ELC) associated with indigent defense. Counties are eligible for three types of indigent defense funding from the state: formula-based distributions pursuant to Sections 19-862A(3) and 19-851(8), Idaho Code; distributions to incentivize counties to merge their public defender offices pursuant to Section 19-862A(3), Idaho Code; and discretionary distributions for extraordinary litigation costs (ELC) pursuant to Section 19-850(2)(e), Idaho Code. ELC funding typically covers costs such as expert witnesses, evidence testing, and investigation. Currently, the commission has a base appropriation of \$423,700 for ELC, up 69.5% from \$250,000 in FY 2018. This request would add an additional \$177,000 to provide to counties on a discretionary basis. According to the commission, counties are increasingly becoming aware of this funding and the agency expects to exhaust its current year appropriation for such purposes well before the end of the fiscal year.					
Agency Request	0.00	177,000	0	0	177,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2019 Total Appropriation					
Agency Request	7.00	6,046,300	0	0	6,046,300
Governor's Recommendation	6.00	5,814,800	0	0	5,814,800
Removal of Onetime Expenditures					
This decision unit removes onetime amounts requested in supplemental appropriation 1 (i.e., \$500 for computer maintenance and configuration and \$5,100 for computer equipment and office furniture).					
Agency Request	0.00	(5,600)	0	0	(5,600)
<i>As the Governor has not recommended funding for the requests for supplemental appropriations above, there are no onetime amounts to be removed.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Base					
Agency Request	7.00	6,040,700	0	0	6,040,700
Governor's Recommendation	6.00	5,814,800	0	0	5,814,800
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	2,200	0	0	2,200
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(2,300)	0	0	(2,300)
Inflationary Adjustments					
Inflationary adjustment include \$1,300 for computer services (internet service in Moscow) and \$1,500 for rentals and operating leases (office space).					
Agency Request	0.00	2,800	0	0	2,800
Governor's Recommendation	0.00	2,800	0	0	2,800
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$800, State Controller fees will increase by \$900, and State Treasurer fees will increase by \$100, for a net increase of \$1,800.					
Agency Request	0.00	1,800	0	0	1,800
Governor's Recommendation	0.00	1,800	0	0	1,800

Public Defense Commission

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Annualizations					
This decision unit annualizes the personnel costs associated with the training director position requested as an FY 2019 supplemental appropriation.					
Agency Request	0.00	68,300	0	0	68,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	5,100	0	0	5,100
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	15,300	0	0	15,300
FY 2020 Program Maintenance					
Agency Request	7.00	6,120,900	0	0	6,120,900
Governor's Recommendation	6.00	5,832,400	0	0	5,832,400
1. Research Analyst					
The commission requests 1.00 FTP and \$83,300 from the General Fund to hire a research analyst. Of the total amount requested, \$71,600 is in ongoing personnel costs for salary and benefits; \$6,100 is in ongoing operating expenditures for incidental costs such as employee travel, etc.; \$500 is in onetime operating expenditures for computer maintenance and configuration; and \$5,100 is in onetime capital outlay for computer equipment and office furniture. According to the commission, the agency is struggling to fulfill its mission effectively, especially with regard to analysis of voluminous county financial and case-related data. The commission believes expertise in the use of recognized analytical methods to interpret data and confirm indigent defense funding needs throughout the state, analysis of attorney caseload information in support of standards for defending attorneys, and research parity between defending attorneys and prosecuting attorneys is among the many critical needs a research analyst would address.					
Agency Request	1.00	83,300	0	0	83,300
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	84,000	0	0	84,000
2. Part-time Admin Asst					
This request is for 0.50 FTP and \$33,700 from the General Fund to hire a part-time administrative assistant. Of the total amount requested, \$27,400 is in ongoing personnel costs for salary and benefits; \$1,600 is in ongoing operating expenditures for incidental costs such as IT and office space, etc.; \$500 is in onetime operating expenditures for computer maintenance and configuration; and \$4,200 is in onetime capital outlay for computer equipment and office furniture. According to the commission, time spent by the existing assistant scheduling and confirming appointments (tasks not requiring specialized knowledge, skills, or abilities) could be more efficiently handled by a part-time assistant. Furthermore, the staff size of the commission has increased from 1.50 FTP to 6.00 FTP since FY 2017, which has affected the workload of the existing assistant. If funded, this request would permit the existing assistant to absorb the additional workload associated with the growth of the agency as well as focus on more specialized tasks such as assisting regional coordinators, etc.					
Agency Request	0.50	33,700	0	0	33,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Public Defense Commission

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. Formula Grants With 15% Cap					
The agency requests \$299,200 in ongoing trustee and benefit payments from the General Fund to provide formula grants to counties for indigent defense. As mentioned above, counties are eligible for three types of indigent defense funding from the state: formula-based grants; distributions to incentivize counties to merge their public defender offices; and discretionary distributions for extraordinary litigation costs. As it relates to formula grants, Section 19-862A(3), Idaho Code, currently caps the maximum amount counties may receive to 15% of their "local share." This statutory cap is scheduled to sunset on July 1, 2019. Thus, unless the Legislature acts in the meantime, the statutory cap for formula grants will no longer apply and the state will be permitted to appropriate amounts beyond 15% of the counties' local share. The commission currently has a base appropriation of \$4,452,600 for formula grants. The amount requested here represents the amount needed by the commission to satisfy its maximum statutory obligation for such purposes with the 15% statutory cap in effect. If funded, the commission would have a total ongoing appropriation of \$4,751,800 for formula grants.					
Agency Request	0.00	299,200	0	0	299,200
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. Formula Grants With 20% Cap					
The amount requested here represents the approximate amount needed by the commission (in addition to line item 3) to satisfy its maximum statutory obligation for formula grants in the hypothetical situation that the Legislature amends the statutory cap upward to 20% of counties' local share. If funded (along with line item 3), the commission would have a total ongoing appropriation of \$6,412,600 for formula grants.					
Agency Request	0.00	1,660,800	0	0	1,660,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. Workload Standard Compliance					
The commission requests \$3,600,000 in ongoing trustee and benefit payments from the General Fund to provide to counties for compliance with proposed public defender workload standards. Pursuant to Section 19-850(1)(a)(vii)(3), Idaho Code, the commission is required to promulgate rules that constrain public defender workloads in order to permit effective representation. So far, the commission has not promulgated rules regarding workload standards. However, the commission's Standards for Defending Attorneys, as incorporated by reference in IDAPA 61.01.07.004, are now subject to a proposed amendment that would limit public defender caseloads as follows: two active capital cases at a time; 210 non-capital felony cases annually; 520 misdemeanor cases annually; 232 juvenile cases annually; 95 civil cases annually; or 35 non-capital substantive appeal cases annually (mixed caseloads would be permitted so long as they are proportional to the workload standards). If the proposed changes are adopted by the Legislature, applications for indigent defense grants submitted by counties after May 1, 2019, would need to address how they will comply with indigent defense standards in FY 2020, including the newly adopted workload standards. The amount included here is an estimate of the amount needed by counties to comply with the proposed workload standards, in addition to amounts requested in line items 3 and 4.					
Agency Request	0.00	3,600,000	0	0	3,600,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. New Funding Methodology					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends removing the commission's ongoing General Fund appropriation for trustee and benefit payments (\$5,025,700), which is designated for indigent defense funding for counties. The Governor further recommends creating a new dedicated fund and using a onetime General Fund appropriation and cash transfer of \$11,000,000 to provide the initial funding. However, neither the fund nor its ongoing revenue source were identified.</i>					
Governor's Recommendation	0.00	5,974,300	11,000,000	0	16,974,300

Public Defense Commission

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	500	0	500
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	2,300	0	2,300
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	3,700	0	0	3,700
Cash Transfers					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a transfer of \$11,000,000 from the General Fund to a dedicated fund with no identified ongoing revenue source.</i>					
Governor's Recommendation	0.00	(11,000,000)	0	0	(11,000,000)
FY 2020 Total					
Agency Request	8.50	11,797,900	0	0	11,797,900
Governor's Recommendation	7.00	894,400	11,002,800	0	11,897,200
Agency Request					
Change from Original App	2.50	5,983,100	0	0	5,983,100
% Change from Original App	41.7%	102.9%			102.9%
Governor's Recommendation					
Change from Original App	1.00	(4,920,400)	11,002,800	0	6,082,400
% Change from Original App	16.7%	(84.6%)			104.6%

Regulatory Boards

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Board of Accountancy	550,900	449,700	552,500	681,600	688,500
Board of Engineers & Surveyors	761,000	750,500	805,300	823,700	838,300
Bureau of Occupational Licenses	4,615,200	4,081,200	5,405,800	4,537,500	4,605,900
Outfitters & Guides Licensing Bd	610,000	470,600	610,900	616,000	626,000
Real Estate Commission	1,596,800	1,373,800	1,627,400	1,661,400	1,680,300
Total:	8,133,900	7,125,800	9,001,900	8,320,200	8,439,000
BY FUND CATEGORY					
Dedicated	8,133,900	7,125,800	9,001,900	8,320,200	8,439,000
Percent Change:		(12.4%)	26.3%	(7.6%)	(6.3%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	4,855,600	4,498,600	4,974,000	5,129,400	5,159,100
Operating Expenditures	3,182,200	2,543,400	3,952,600	3,108,000	3,197,100
Capital Outlay	41,000	49,200	20,200	27,700	27,700
Trustee/Benefit	55,100	34,600	55,100	55,100	55,100
Total:	8,133,900	7,125,800	9,001,900	8,320,200	8,439,000
Full-Time Positions (FTP)	69.00	69.00	70.00	72.00	72.00

Division Description

The Regulatory Boards are part of the Department of Self-Governing Agencies that include five budgeted programs: four are boards and commissions, and the Bureau of Occupational Licenses which serves 29 boards and commissions. Each professional board and commission regulates certain professions in Idaho. Brief descriptions of each are as follows:

The Board of Accountancy ensures that standards are maintained for certified public accountants and licensed public accountants in Idaho. [Statutory Authority: Section 54-201, Idaho Code, et seq.]

The Board of Professional Engineers and Land Surveyors (IPELS) develops and maintains qualification standards for professional engineers and land surveyors. [Statutory Authority: Section 54-1201, Idaho Code, et seq.]

The Bureau of Occupational Licenses (IBOL) provides administrative, investigative, financial, and legal services to 29 professional licensing boards and commissions which include: Idaho State Board of Acupuncture; Board of Architectural Examiners; Uniform Athlete Agents; Registration Athletic Commission; Board of Barbers and Cosmetologists; Board of Chiropractic Physicians; Contractors Board; Licensing Board of Professional Counselors and Marriage and Family Therapists; Board of Dentistry; Driving Businesses Licensure Board; Genetic Counselors Licensing Board; Board of Registration for Professional Geologists; Board of Landscape Architects; Liquefied Petroleum Gas Safety Board; Board of Massage Therapy; Board of Midwifery; Board of Morticians; Board of Examiners of Nursing Home Administrators; Occupational Therapy Licensure Board; Board of Optometry; Board of Physical Therapists; Board of Podiatry; Board of Psychologist Examiners; Real Estate Appraiser Board; Board of Examiners of Residential Care Facility Administrators; Board of Social Work Examiners; Shorthand Reporters Board; Speech and Hearing Services Licensure Board; and Board of Drinking Water and Wastewater Professionals. [Statutory Authority: Section 67-2601, Idaho Code, et seq.]

The Outfitters and Guides Licensing Board regulates the outfitting and guiding industry to safeguard the health, safety, and welfare of the public. [Statutory Authority: Section 36-2105, Idaho Code, et seq.]

The Real Estate Commission licenses real estate brokers and agents and enforces compliance with Idaho real estate license law. The commission develops and administers an education program to meet statutory pre-license and continuing education requirements. [Statutory Authority: Section 54-2005, Idaho Code, et seq.]

Regulatory Boards

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	70.00	0	9,001,900	70.00	0	9,001,900
Removal of Onetime Expenditures	0.00	0	(1,107,100)	0.00	0	(1,107,100)
FY 2020 Base	70.00	0	7,894,800	70.00	0	7,894,800
Benefit Costs	0.00	0	17,600	0.00	0	(33,100)
Inflationary Adjustments	0.00	0	5,800	0.00	0	5,800
Replacement Items	0.00	0	20,900	0.00	0	20,900
Statewide Cost Allocation	0.00	0	27,500	0.00	0	27,500
Change in Employee Compensation	0.00	0	41,100	0.00	0	120,900
FY 2020 Program Maintenance	70.00	0	8,007,700	70.00	0	8,036,800
1. Licensing Database System - ISBA	0.00	0	125,000	0.00	0	125,000
2. Hearing Officer and Legal Costs - IREC	0.00	0	30,000	0.00	0	30,000
3. Additional Investigator - IBOL	1.00	0	63,300	1.00	0	63,800
4. Additional Office Specialist - IBOL	1.00	0	45,200	1.00	0	45,300
5. Hearing Officer and Legal Costs - IPELS	0.00	0	44,000	0.00	0	44,000
6. Board Per Diem Increase - IPELS	0.00	0	5,000	0.00	0	5,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	6,000
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	32,300
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	50,800
Budget Law Exemption	0.00	0	0	0.00	0	0
FY 2020 Total	72.00	0	8,320,200	72.00	0	8,439,000
Change from Original Appropriation	2.00	0	(681,700)	2.00	0	(562,900)
% Change from Original Appropriation			(7.6%)			(6.3%)

Regulatory Boards

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	70.00	0	9,001,900	0	9,001,900

Removal of Onetime Expenditures

Engr-Surveyors, Occup Licenses, Real Estate Commission

This action removes expenditures for replacement items and line items funded on a onetime basis in FY 2019.

Agency Request	0.00	0	(1,107,100)	0	(1,107,100)
Governor's Recommendation	0.00	0	(1,107,100)	0	(1,107,100)

FY 2020 Base					
Agency Request	70.00	0	7,894,800	0	7,894,800
Governor's Recommendation	70.00	0	7,894,800	0	7,894,800

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	17,600	0	17,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(33,100)	0	(33,100)
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Inflationary Adjustments

Board of Prof Engineers & Land Surveyors

The Board of Professional Engineers and Land Surveyors requests \$5,800 from the State Regulatory Fund in contract inflation due to an increase in lease costs for new office space to house an additional employee.

Agency Request	0.00	0	5,800	0	5,800
Governor's Recommendation	0.00	0	5,800	0	5,800

Replacement Items

Prof Engineers & Land Surveyors, Real Estate

The Board of Professional Engineers and Land Surveyors requests \$4,800 from the State Regulatory Fund to replace four printers.

The Real Estate Commission requests \$16,100 from the State Regulatory Fund to replace 14 desktop computers and three laptops.

Agency Request	0.00	0	20,900	0	20,900
Governor's Recommendation	0.00	0	20,900	0	20,900

Regulatory Boards

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes \$16,800 for the Bureau of Occupational Licenses for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.8%.

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation.

The Board of Accountancy's risk management costs will increase by \$300 and State Controller fees will increase by \$400, for a net increase of \$700.

The Board of Professional Engineers and Land Surveyors' risk management costs will increase by \$100 and the State Controller fees will increase by \$300, for a net increase of \$400.

The Bureau of Occupational Licenses' risk management costs will decrease by \$2,600, State Controller fees will increase by \$10,000, and State Treasurer fees will increase by \$200, for a net increase of \$7,600.

The Outfitters and Guides Licensing Board's risk management costs will increase by \$500 and State Controller fees will increase by \$200, for a net increase of \$700.

The Real Estate Commission's risk management costs will increase by \$600 and State Controller fees will increase by \$700, for a net increase of \$1,300.

Agency Request	0.00	0	27,500	0	27,500
Governor's Recommendation	0.00	0	27,500	0	27,500

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	41,100	0	41,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	0	120,900	0	120,900
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FY 2020 Program Maintenance

Agency Request	70.00	0	8,007,700	0	8,007,700
Governor's Recommendation	70.00	0	8,036,800	0	8,036,800

1. Licensing Database System - ISBA

Board of Accountancy

The Board of Accountancy requests \$125,000 in onetime operating expenditures from the State Regulatory Fund to procure and implement a new licensing database system. Functions conducted through the system include, but are not limited to, issuing licenses, recording professional continuous education, tracking Certified Public Accountant (CPA) exam scores, and maintaining enforcement matters. BES Technologies, the selected vendor, has implemented licensing database systems for several other occupational licensing agencies, and provides ongoing maintenance of the system through an annual contract. The board is not requesting ongoing funding for maintenance at this time as the first year would be covered by the vendor but an ongoing appropriation may be requested in the future.

Agency Request	0.00	0	125,000	0	125,000
Governor's Recommendation	0.00	0	125,000	0	125,000

Regulatory Boards

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Hearing Officer and Legal Costs - IREC			Real Estate Commission		
The Real Estate Commission (IREC) requests an ongoing appropriation of \$30,000 from the State Regulatory Fund for an increase in legal costs to contract with an administrative hearing officer. IREC may need to use its administrative hearing officer after S1316 of 2018 modified the requirements of sharing the legal and investigative costs with the losing party in an administrative procedure. IREC believes that additional use of its administrative hearing officer and retaining outside council will ensure that cases that are heard will be more thoroughly examined. IREC currently averages two disciplinary cases per year.					
Agency Request	0.00	0	30,000	0	30,000
Governor's Recommendation	0.00	0	30,000	0	30,000
3. Additional Investigator - IBOL			Bureau of Occupational Licenses		
The Bureau of Occupational Licenses (IBOL) requests 1.00 FTP, \$58,900 in ongoing personnel costs, and \$4,400 in onetime capital outlay from the State Regulatory Fund to hire an additional investigator position and provide a new computer, work station, and laptop. This request is to address the growing number of complaints that require investigation. Since FY 2015, the number of complaints has increased from 730 to 1,010 or 38%. Currently, there are nine investigators employed with IBOL. The amount of complaints by fiscal year is as follows:					
FY 2015: 730; FY 2016: 864; FY 2017: 911; and FY 2018: 1,010.					
Agency Request	1.00	0	63,300	0	63,300
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	1.00	0	63,800	0	63,800
4. Additional Office Specialist - IBOL			Bureau of Occupational Licenses		
The Bureau of Occupational Licenses (IBOL) requests 1.00 FTP, \$42,800 in ongoing personnel costs, and \$2,400 in onetime capital outlay from the State Regulatory Fund to hire an additional Office Specialist 2 position and purchase a new computer and work station. Due to the increase of licenses being administered and an increase in complaints, the number of calls received has increased 8.9% since FY 2015. This position would assist current staff in answering phone calls, helping at the front desk, and processing mail.					
Agency Request	1.00	0	45,200	0	45,200
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	1.00	0	45,300	0	45,300
5. Hearing Officer and Legal Costs - IPELS			Board of Prof Engineers & Land Surveyors		
The Idaho Board of Professional Engineers and Land Surveyors (IPELS) requests an ongoing appropriation of \$44,000 from the State Regulatory Fund for an increase in legal costs to contract with an administrative hearing officer. The board voted to contract with an administrative hearing officer after S1316 of 2018 modified the requirements of sharing the legal and investigative costs with the losing party in an administrative procedure. Currently, the board does not have legal council on staff and relies on contracted attorneys to mitigate civil cases and the Attorney General to investigate and prosecute criminal matter. The board believes that contracting with an administrative hearing officer and retaining outside council will ensure that cases that are heard will be more thoroughly examined.					
Agency Request	0.00	0	44,000	0	44,000
Governor's Recommendation	0.00	0	44,000	0	44,000

Regulatory Boards

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
6. Board Per Diem Increase - IPELS		Board of Prof Engineers & Land Surveyors			
The Idaho Board of Professional Engineers and Land Surveyors (IPELS) requests an ongoing appropriation of \$5,000 from the State Regulatory Fund for additional compensation to board members. Disciplinary cases have been increasing leading to more time needed from the board members. The members are paid \$75 per day for their work. The amount paid to board members over the last four fiscal years is as follows:					
FY 2015: \$10,950;					
FY 2016: \$18,225;					
FY 2017: \$28,575; and					
FY 2018: \$27,375.					
Agency Request	0.00	0	5,000	0	5,000
Governor's Recommendation	0.00	0	5,000	0	5,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	6,000	0	6,000
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding to provide security of state information that is used on mobile technology.					
Governor's Recommendation	0.00	0	32,300	0	32,300
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.					
Governor's Recommendation	0.00	0	50,800	0	50,800
Budget Law Exemption		Bureau of Occupational Licenses			
In FY 2018, the agency received an appropriation of \$255,300 from the State Regulatory Fund to begin an upgrade of its database used for occupational licensing. The project was estimated to take five years and total \$1,276,330. In FY 2019, the agency received a onetime appropriation for \$1,021,000 to cover years 2-5 of the project, with the intent to request carryover authority each year until the project was completed. To date, the agency has not spent any of the money on the project and is requesting that the appropriation be carried over to FY 2020. The project has not been started as the vendor is finishing the upgrade for the Board of Medicine and then will begin to work on the this project. It is estimated to start at the beginning of calendar year 2019.					
REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the Bureau of Occupational Licensing Program any unexpended and unencumbered balances appropriated to the Bureau of Occupational Licensing from the State Regulatory Fund for the database upgrade for fiscal year 2019, to be used for nonrecurring expenditures related to the system upgrade for the period July 1, 2019, through June 30, 2020.					
Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	72.00	0	8,320,200	0	8,320,200
Governor's Recommendation	72.00	0	8,439,000	0	8,439,000

Regulatory Boards

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	2.00	0	(681,700)	0	(681,700)
% Change from Original App	2.9%		(7.6%)		(7.6%)
Governor's Recommendation					
Change from Original App	2.00	0	(562,900)	0	(562,900)
% Change from Original App	2.9%		(6.3%)		(6.3%)

State Appellate Public Defender

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
State Appellate Public Defender	2,538,500	2,488,700	2,645,700	2,679,900	2,709,200
Capital and Conflict Representation	350,700	151,300	302,400	302,400	302,400
Total:	2,889,200	2,640,000	2,948,100	2,982,300	3,011,600
BY FUND CATEGORY					
General	2,889,200	2,640,000	2,948,100	2,982,300	3,009,300
Dedicated	0	0	0	0	2,300
Total:	2,889,200	2,640,000	2,948,100	2,982,300	3,011,600
Percent Change:		(8.6%)	11.7%	1.2%	2.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,314,000	2,153,600	2,390,700	2,421,500	2,448,500
Operating Expenditures	575,200	473,900	546,400	551,500	553,800
Capital Outlay	0	12,500	11,000	9,300	9,300
Total:	2,889,200	2,640,000	2,948,100	2,982,300	3,011,600
Full-Time Positions (FTP)	23.00	23.00	24.00	24.00	24.00

Division Description

The State Appellate Public Defender provides legal representation to indigent persons in the following areas:

- 1) Appeals from convictions in district court;
- 2) Appeals from the district court in post-conviction relief proceedings brought pursuant to the Uniform Post-Conviction Procedure Act;
- 3) Appeals from the district court in habeas corpus proceedings; and
- 4) Post-conviction relief proceedings in capital cases.

The services of the State Appellate Public Defender are only available to those counties participating in the Capital Crimes Defense Fund (CCDF) established pursuant to Section 19-863A, Idaho Code. Currently, all 44 counties participate in the CCDF.

There are two budgeted programs within this division:

The Office of the State Appellate Public Defender Program accounts for the general operating, personnel, and capital outlay costs of the office.

The Capital and Conflict Representation Program accounts solely for (a) the cost of outside counsel for noncapital appeals in which a conflict of interest is identified; and (b) extraordinary litigation costs directly related to the provision of representation in capital cases including, but not limited to, consultation with experts; travel, lodging, and per diem for expert and lay witnesses; depositions; investigation; employee travel associated with witness interviews; court reporting and transcription services; expert witness fees; outside counsel in the event of a conflict of interest; and preparation of trial exhibits. Any remaining unexpended and unencumbered amounts not used in this program revert to the General Fund.

State Appellate Public Defender

Analyst: Hoskins

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	24.00	2,948,100	2,948,100	24.00	2,948,100	2,948,100
Removal of Onetime Expenditures	0.00	(13,000)	(13,000)	0.00	(13,000)	(13,000)
FY 2020 Base	24.00	2,935,100	2,935,100	24.00	2,935,100	2,935,100
Benefit Costs	0.00	9,600	9,600	0.00	(5,500)	(5,500)
Inflationary Adjustments	0.00	5,900	5,900	0.00	3,300	3,300
Replacement Items	0.00	9,300	9,300	0.00	9,300	9,300
Statewide Cost Allocation	0.00	1,200	1,200	0.00	1,200	1,200
Change in Employee Compensation	0.00	21,200	21,200	0.00	63,300	63,300
FY 2020 Program Maintenance	24.00	2,982,300	2,982,300	24.00	3,006,700	3,006,700
1. Cybersecurity	0.00	0	0	0.00	2,600	2,600
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	2,300
FY 2020 Total	24.00	2,982,300	2,982,300	24.00	3,009,300	3,011,600
Change from Original Appropriation	0.00	34,200	34,200	0.00	61,200	63,500
% Change from Original Appropriation		1.2%	1.2%		2.1%	2.2%

State Appellate Public Defender

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	24.00	2,948,100	0	0	2,948,100

Removal of Onetime Expenditures

This decision unit removes onetime amounts appropriated in FY 2019 for replacement items (\$10,800) and for the computer equipment and office furniture associated with a new legal assistant (\$2,200).

Agency Request	0.00	(13,000)	0	0	(13,000)
Governor's Recommendation	0.00	(13,000)	0	0	(13,000)

FY 2020 Base					
Agency Request	24.00	2,935,100	0	0	2,935,100
Governor's Recommendation	24.00	2,935,100	0	0	2,935,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	9,600	0	0	9,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(5,500)	0	0	(5,500)
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Inflationary Adjustments

Inflationary adjustment include \$100 for employee development costs (Idaho Code updates), a 1% increase from the base appropriation of \$15,000; \$1,200 for general services (legal research and case management software), a 3% increase from the base appropriation of \$1,200; \$300 for repair and maintenance services (copier/printer maintenance and repair), a 100% increase from the base appropriation of \$0; \$2,600 for computer services (IT service), an 8% increase from the base appropriation of \$34,000; and \$1,700 for rentals and operating leases (office space), a 1% increase from the base appropriation of \$130,000.

Agency Request	0.00	5,900	0	0	5,900
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The Governor does not recommend \$2,600 for computer services.

Governor's Recommendation	0.00	3,300	0	0	3,300
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Replacement Items

Replacement items include \$9,300 in onetime capital outlay for eight computers and related software and hardware.

Agency Request	0.00	9,300	0	0	9,300
Governor's Recommendation	0.00	9,300	0	0	9,300

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$600 and State Controller fees will increase by \$600, for a net increase of \$1,200.

Agency Request	0.00	1,200	0	0	1,200
Governor's Recommendation	0.00	1,200	0	0	1,200

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	21,200	0	0	21,200
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	63,300	0	0	63,300
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State Appellate Public Defender

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	24.00	2,982,300	0	0	2,982,300
Governor's Recommendation	24.00	3,006,700	0	0	3,006,700
1. Cybersecurity					
Office of the State Appellate Public Defender					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$2,600 in ongoing operating expenditures for the evaluation and implementation of the Center for Internet Security Critical Security Controls.</i>					
Governor's Recommendation	0.00	2,600	0	0	2,600
GOV TECH 1. Network Equip Replacement					
Office of the State Appellate Public Defender					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	2,300	0	2,300
FY 2020 Total					
Agency Request	24.00	2,982,300	0	0	2,982,300
Governor's Recommendation	24.00	3,009,300	2,300	0	3,011,600
Agency Request					
Change from Original App	0.00	34,200	0	0	34,200
% Change from Original App	0.0%	1.2%			1.2%
Governor's Recommendation					
Change from Original App	0.00	61,200	2,300	0	63,500
% Change from Original App	0.0%	2.1%			2.2%

Division of Veterans Services

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,117,700	1,047,700	1,127,500	1,164,300	1,216,200
Dedicated	18,453,700	16,820,500	17,383,800	32,365,700	30,571,900
Federal	25,038,400	15,920,000	15,728,100	45,216,100	46,587,000
Total:	44,609,800	33,788,200	34,239,400	78,746,100	78,375,100
Percent Change:		(24.3%)	1.3%	130.0%	128.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	22,775,600	21,441,000	23,070,300	24,683,800	24,387,000
Operating Expenditures	20,777,800	11,760,600	10,869,600	53,704,800	53,630,600
Capital Outlay	878,000	444,200	98,600	206,600	206,600
Trustee/Benefit	178,400	142,400	200,900	150,900	150,900
Total:	44,609,800	33,788,200	34,239,400	78,746,100	78,375,100
Full-Time Positions (FTP)	346.00	346.00	346.00	349.00	344.00

Division Description

The Idaho Division of Veterans Services assists veterans and their families by operating the veterans homes in Boise, Lewiston, and Pocatello; managing the state veterans cemetery; providing medical and assisted-living care to veterans; extending financial relief and assistance to disabled or destitute wartime veterans and their dependents; administering programs offered by the United States Department of Veterans Affairs; and providing training and other educational assistance to veterans. The division also assists veterans and their families in navigating federal processes to obtain non-state benefits to which they are entitled.

The Idaho State Veterans Cemetery has the mission to provide respectful interment services for eligible veterans and their families, appropriately mark and record gravesites, and maintain the cemetery as a place of honor for veterans as well as a place of remembrance and reflection for the citizens of Idaho.

Division of Veterans Services

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	346.00	1,127,500	34,239,400	346.00	1,127,500	34,239,400
Reappropriation	0.00	0	7,496,100	0.00	0	7,496,100
1. Appropriation Adjust-Match Revenue	0.00	0	0	0.00	0	0
2. 4th Veterans Home Design Costs	0.00	0	0	0.00	0	800,000
Cash Transfers & Adjustments	0.00	0	0	0.00	0	0
FY 2019 Total Appropriation	346.00	1,127,500	41,735,500	346.00	1,127,500	42,535,500
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	346.00	1,127,500	41,735,500	346.00	1,127,500	42,535,500
Removal of Onetime Expenditures	0.00	0	(8,231,700)	0.00	0	(9,031,700)
FY 2020 Base	346.00	1,127,500	33,503,800	346.00	1,127,500	33,503,800
Benefit Costs	0.00	4,200	80,100	0.00	(3,900)	(140,600)
Statewide Cost Allocation	0.00	0	98,800	0.00	0	98,800
Change in Employee Compensation	0.00	9,300	189,300	0.00	28,000	555,200
FY 2020 Program Maintenance	346.00	1,141,000	33,872,000	346.00	1,151,600	34,017,200
1. Staff Market Equity	0.00	23,300	894,400	0.00	0	871,100
2. Additional Staffing Positions	3.00	0	553,000	3.00	0	551,900
3. New Capital Outlay	0.00	0	103,300	0.00	0	103,300
4. Intergovernmental Transfer - Medicaid	0.00	0	200,000	0.00	0	200,000
5. Veterans Recognition Fund Awards	0.00	0	100,000	0.00	0	100,000
6. Fourth Veterans Home	0.00	0	43,023,400	0.00	0	42,223,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	28,900
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(5.00)	64,600	279,300
Cash Transfers	0.00	0	0	0.00	0	0
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	349.00	1,164,300	78,746,100	344.00	1,216,200	78,375,100
Change from Original Appropriation	3.00	36,800	44,506,700	(2.00)	88,700	44,135,700
% Change from Original Appropriation		3.3%	130.0%		7.9%	128.9%

Division of Veterans Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	346.00	1,127,500	17,383,800	15,728,100	34,239,400
Reappropriation					
Veterans Services was granted carryover for its unencumbered and unspent appropriation for a second veterans cemetery to be located in Blackfoot, Idaho. Carryover was approved from FY 2018 into FY 2019 in the amount of \$7,496,100 from the Federal Grant Fund. Carryover is approved on a onetime basis and removed before calculating the FY 2020 Base.					
Agency Request	0.00	0	0	7,496,100	7,496,100
Governor's Recommendation	0.00	0	0	7,496,100	7,496,100
1. Appropriation Adjust-Match Revenue					
Agency Request	0.00	0	0	0	0
The Governor recommends a fund shift from the Miscellaneous Revenue Fund to federal funds to reflect current revenue projections.					
Governor's Recommendation	0.00	0	(1,200,000)	1,200,000	0
2. 4th Veterans Home Design Costs					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime appropriation from the Veterans Recognition Income Fund for the architectural and design costs of a fourth veterans home to be located in Post Falls. Construction costs for this project are found in line item 6.					
Governor's Recommendation	0.00	0	800,000	0	800,000
Cash Transfers & Adjustments					
Agency Request	0.00	0	0	0	0
The Governor recommends a onetime cash transfer of \$800,000 from the Veterans Recognition Fund to the Veterans Recognition Income Fund for FY 2019.					
Governor's Recommendation	0.00	0	0	0	0
FY 2019 Total Appropriation					
Agency Request	346.00	1,127,500	17,383,800	23,224,200	41,735,500
Governor's Recommendation	346.00	1,127,500	16,983,800	24,424,200	42,535,500
Noncognizable Funds and Transfers					
Transfers 0.10 FTP from the Veterans Home Endowment Income Fund to the Miscellaneous Revenue Fund and transfers \$409,900 from operating expenditures to capital outlay for replacement item purchases.					
Agency Request	0.00	0	0	0	0
Recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2019 Estimated Expenditures					
Agency Request	346.00	1,127,500	17,383,800	23,224,200	41,735,500
Governor's Recommendation	346.00	1,127,500	16,983,800	24,424,200	42,535,500
Removal of Onetime Expenditures					
Removes onetime funding for various replacement items, alteration and repair projects, and for legislative approved carryover.					
Agency Request	0.00	0	(527,700)	(7,704,000)	(8,231,700)
The Governor recommends the removal of all onetime appropriation.					
Governor's Recommendation	0.00	0	(1,327,700)	(7,704,000)	(9,031,700)
FY 2020 Base					
Agency Request	346.00	1,127,500	16,856,100	15,520,200	33,503,800
Governor's Recommendation	346.00	1,127,500	15,656,100	16,720,200	33,503,800

Division of Veterans Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	4,200	47,800	28,100	80,100
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(3,900)	(89,200)	(47,500)	(140,600)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$22,200, risk management costs will increase by \$69,900, State Controller fees will increase by \$6,400, and State Treasurer fees will increase by \$300, for a net increase of \$98,800.

Agency Request	0.00	0	25,700	73,100	98,800
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Governor's Recommendation	0.00	0	25,700	73,100	98,800
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	9,300	115,000	65,000	189,300
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	28,000	333,500	193,700	555,200
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FY 2020 Program Maintenance

Agency Request	346.00	1,141,000	17,044,600	15,686,400	33,872,000
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Governor's Recommendation	346.00	1,151,600	15,926,100	16,939,500	34,017,200
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1. Staff Market Equity

The division requests a net increase of \$894,400 in personnel costs to provide salary increases for various positions throughout the division. The division last year had a 29.9% turnover rate and continues to struggle with recruiting and retaining staff, especially nursing positions. From a service-level perspective, consistency is needed for the veterans in the homes and from a cost perspective, the division would prefer to hire and retain staff rather than hire contracted staff at nearly double the amount. However, due to difficulties with recruiting staff, the division has to rely on more expensive contracted staff. The division not only competes with the private sector, but also local, state, and federal government agencies. As a result, the division is requesting additional funding to increase the hourly wages of staff. This includes salary increases that range from \$0.75 an hour for general operations staff, \$1.00 to \$1.50 an hour for nursing positions (all levels).

This request includes a reduction of \$506,700 from the Miscellaneous Revenue Fund, an increase of \$23,300 from the General Fund, an increase of \$5,100 from the Veterans Home Endowment Income Fund, and an increase of \$1,372,700 from the Federal Grant Fund. There is also a shift of 10.60 FTP from the Miscellaneous Revenue Fund and General Fund to the Federal Grant Fund. Similar requests have been made by the division for the past several years and will most likely continue in perpetuity.

Agency Request	0.00	23,300	(501,600)	1,372,700	894,400
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Recommended by the Governor with the exception of the General Fund request.

Governor's Recommendation	0.00	0	(501,600)	1,372,700	871,100
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Division of Veterans Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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2. Additional Staffing Positions

The division requests 3.00 FTP and \$553,000 from dedicated and federal funds to hire three new permanent staff positions and temporary group positions. Of the request, \$257,900 is in ongoing Miscellaneous Revenue Fund personnel costs, 3.00 FTP and \$191,800 in ongoing federal fund personnel costs, and \$103,300 in onetime Veterans Home Endowment Income Fund capital outlay. The request includes a veterans service officer and education program specialist for northern Idaho, an education program specialist for eastern Idaho, and temporary nursing positions for all three veterans homes. The request also includes onetime funding for office furniture, IT equipment, and vehicles for the new permanent positions. The division will absorb the ongoing operating expenditure costs associated with adding new positions from its existing appropriation. The veterans service officer will be located in the Post Falls area and will assist with outreach and benefit assistance services. The division currently has 21.50 FTP around the state, in both direct and administrative support capacity, to serve more than 122,000 veterans. In 2016 these staff handled about 6,000 benefit claims and in 2018 the amount increased to 8,200. The education specialists will cover outreach, educational needs, and workforce development in northern and eastern Idaho. The division currently has 1.5 FTP for this work. These positions would attend and participate at job fairs, employer workshops, various private businesses, veteran support groups, Idaho Military Division, and work with other stakeholders. Part of the job responsibility will be to retain or recruit veterans to Idaho. The temporary positions are being requested for all three veterans homes to keep up with changes in census counts at the homes. Temporary positions provide more flexibility with changing census counts than hiring full-time positions.

Agency Request	3.00	0	361,200	191,800	553,000
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Recommended by the Governor with changes for benefits and compensation.

Governor's Recommendation	3.00	0	361,200	190,700	551,900
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3. New Capital Outlay

The division requests \$103,300 onetime from the Veterans Home Endowment Income Fund to purchase capital outlay items. Items included in the request: are to upgrade the core network bandwidth from 10gb to 40gb for \$16,800, acquire a personal property loss prevention system for residents for \$69,000, and purchase various office furniture items for \$17,500.

Agency Request	0.00	0	103,300	0	103,300
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Governor's Recommendation	0.00	0	103,300	0	103,300
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4. Intergovernmental Transfer - Medicaid

The division requests \$200,000 in ongoing Miscellaneous Revenue Fund operating expenditures to account for changes in the Medicaid billings process. During the 2018 session, the Legislature passed H336 that added the state veterans homes to the Idaho Skilled Nursing Assessment Act. This allowed the division to pay its share of the Medicaid amount through an intergovernmental transfer and then receive the Medicaid federal portion directly from Medicaid. The division estimates about \$2.5 million in receipts, but because of current excess appropriation, the division is only requesting \$200,000.

Agency Request	0.00	0	200,000	0	200,000
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Governor's Recommendation	0.00	0	200,000	0	200,000
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Division of Veterans Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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5. Veterans Recognition Fund Awards

The division requests \$100,000 to award several onetime grants from the Veterans Recognition Income Fund as allowed for in Chapter 7, Title 65, Idaho Code. The recognition fund is statutorily designed to benefit veterans in Idaho, with priority given to activities that serve disabled veterans (Section 65-704, Idaho Code). The income fund, upon request by the administrator of the division, can transfer up to 5% of the Idaho Veterans Recognition Fund's average monthly fair market value for the first 12 months of the preceding 24 months. Further, the distribution shall not exceed the Idaho Veterans Recognition Fund's fair market value on the first business day in July. Funding recommendations are to be made by the Veterans Recognition Committee and presented to the division. FY 2020 will be the fifth year that money is available for appropriation.

The division agrees with the committee's recommendations and requests that funds be awarded as follows: (1) \$26,000 for the Wyakin Foundation's Wyakin Warrior Program; (2) \$22,000 for Jannus and the Legacy Corps Caregiver Support; (3) \$17,000 for Bravehearts; (4) \$15,000 for Idaho State University's Veteran Student Services Center; (5) \$15,000 for the Supportive Housing and Innovative Partnerships (SHIP) transportation program; and (6) \$5,000 for the Veterans Support Fund.

Agency Request	0.00	0	100,000	0	100,000
Governor's Recommendation	0.00	0	100,000	0	100,000

6. Fourth Veterans Home

The division is requesting \$43,023,400 in onetime operating expenditures for the construction of a 57-bed fourth veterans home in Post Falls, Idaho. This includes \$15,058,200 from the Veterans Recognition Income Fund and \$27,965,200 in federal funds. Because Chapter 7, Title 65, Idaho Code, places restrictions on the transfers of veterans recognition funds, a cash transfer from the Veterans Recognition Fund to the Veterans Recognition Income Fund will need to occur for \$15,058,200. The money in the veterans recognition funds were placed there originally with the intent that they be used for various onetime grants for programs that benefit veterans, and for use of a second veterans cemetery and a fourth veterans home. Federal funding for the construction would provide 65% of the total cost, if construction is approved. Construction is anticipated to take two-to-three years and as a result the division will be requesting carryover for these funds in future budget requests. The construction grant has not yet been awarded by the federal government, but if approved, along with the funding, then the project will be overseen by the Division of Public Works in the Department of Administration.

Ongoing costs for the home, are estimated to be about \$7.3 million each year at 85% occupancy. Revenue for the home is currently estimated to be about \$6.3 million, or about a \$910,300 deficit each year. The estimated shortfalls are expected to come from the General Fund. The total estimated shortfall amount for the first three years of operations is about \$4.2 million as the home increases its occupancy and hires qualified staff. Further, the proposed home will experience significant challenges in recruiting and retaining staff given the close proximity to Washington; Idaho is already struggling with its competition with Washington at the Lewiston Veterans Home. Currently, the division receives about \$2.1 million or 6% from state funds for all operations, but with the addition of another home, this amount is expected to significantly increase for not only shortfalls, but also salary equity with surrounding markets and internal morale.

Agency Request	0.00	0	15,058,200	27,965,200	43,023,400
<i>Recommended by the Governor with a difference of \$800,000 that is being recommended in supplemental request 2 to start the architecture and design costs process in FY 2019.</i>					
Governor's Recommendation	0.00	0	14,258,200	27,965,200	42,223,400

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	14,000	14,900	28,900

Division of Veterans Services

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies.</i>					
Governor's Recommendation	(5.00)	64,600	110,700	104,000	279,300

Cash Transfers

The division requests a cash transfer of \$15,058,200 from the continuously appropriated Veterans Recognition Fund to the Veterans Recognition Income Fund. The recognition funds closed FY 2018 with a cash balance, including investments, of \$20,097,658.

The recognition fund is statutorily designed to benefit veterans in Idaho, with priority given to activities that serve disabled veterans (Section 65-704, Idaho Code). The income fund, upon request by the administrator of the division, can transfer up to 5% of the Idaho Veterans Recognition Fund's average monthly fair market value for the first 12 months of the preceding 24 months. Further, the distribution shall not exceed the Idaho Veterans Recognition Fund's fair market value on the first business day in July. This section of Idaho Code would need to be set aside for the transfer to occur.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor with the exception of \$800,000 in state funds that is being recommended for transfer in FY 2019.</i>					
Governor's Recommendation	0.00	0	0	0	0

Budget Law Exemptions

CARRYOVER: The agency requests authority to carryover its unencumbered and unspent appropriation for a second veterans cemetery to be located in Blackfoot, Idaho. Carryover is requested from FY 2019 into FY 2020 in the amount of \$7,496,100 from the Federal Grant Fund. Carryover requires legislative approval.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Total					
Agency Request	349.00	1,164,300	32,365,700	45,216,100	78,746,100
Governor's Recommendation	344.00	1,216,200	30,571,900	46,587,000	78,375,100
Agency Request					
Change from Original App	3.00	36,800	14,981,900	29,488,000	44,506,700
% Change from Original App	0.9%	3.3%	86.2%	187.5%	130.0%
Governor's Recommendation					
Change from Original App	(2.00)	88,700	13,188,100	30,858,900	44,135,700
% Change from Original App	(0.6%)	7.9%	75.9%	196.2%	128.9%

Idaho Legislative Budget Book

Idaho Transportation Department

2019 Legislative Session

Transportation Services	5 - 131
Motor Vehicles	5 - 141
Highway Operations	5 - 145
Contract Construction & Right-of-Way Acq.	5 - 151

Idaho Transportation Department

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Transportation Services	39,750,400	36,213,700	37,450,000	53,633,300	40,899,800
Motor Vehicles	38,444,000	35,635,100	37,600,500	37,571,000	37,645,100
Highway Operations	199,562,000	189,723,800	194,166,500	202,972,400	202,123,100
Contract Const & Right-of-Way	796,809,800	433,397,400	431,597,600	431,706,700	446,231,700
Total:	1,074,566,200	694,970,000	700,814,600	725,883,400	726,899,700
BY FUND CATEGORY					
Dedicated	622,855,100	429,105,700	382,950,400	378,185,700	379,110,400
Federal	451,711,100	265,864,300	317,864,200	347,697,700	347,789,300
Total:	1,074,566,200	694,970,000	700,814,600	725,883,400	726,899,700
Percent Change:		(35.3%)	0.8%	3.6%	3.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	131,778,500	114,152,100	131,488,700	134,524,100	133,927,800
Operating Expenditures	119,982,500	102,292,400	102,311,700	107,238,800	106,836,400
Capital Outlay	779,828,000	448,822,800	444,584,100	461,549,600	463,564,600
Trustee/Benefit	42,977,200	29,702,700	22,430,100	22,570,900	22,570,900
Total:	1,074,566,200	694,970,000	700,814,600	725,883,400	726,899,700
Full-Time Positions (FTP)	1,648.00	1,648.00	1,648.00	1,648.00	1,648.00

Department Description

The Idaho Transportation Department has four divisions and six budgeted programs: 1) Transportation Services, which consists of Administration, Capital Facilities, and Aeronautics; 2) Motor Vehicles; 3) Highway Operations; and 4) Contract Construction and Right-of-Way Acquisition.

1) The Administration Program develops long-range budgetary plans; develops legislation and operates information systems; provides employee services, financial services, and facilities management; and coordinates research activities. 2) The Motor Vehicles Program manages driver's licenses, vehicle registrations, license plates, and vehicle titles. 3) The Highway Operations Division directs statewide highway maintenance functions and directs highway improvements; administers federal-aid safety improvement projects and safety tasks; protects highways from oversize, overweight, and dangerous usage; manages federal transit grant programs and encourages coordinated transportation services; develops projects to improve state and local highway systems to save lives; and coordinates transportation research efforts. 4) Capital Facilities administers the design, building, and maintenance of department facilities. 5) Contract Construction and Right-of-Way Acquisition accounts for the funds necessary for highway construction projects that maintain and improve the state's highway system. 6) Aeronautics assists Idaho municipalities in developing their airports and operates the state's statewide air fleet.

In December 2015, a new federal transportation bill, Fixing America's Surface Transportation Act (FAST) was enacted into law. It is a five-year law that expires in the year 2020. Following an initial 5% increase in funding overall, FAST increased most of Idaho's highway, transit, and safety program funding at 2% per year through 2020. FAST distributes nearly 93% of all federal highway contract authority to states through formula programs. FAST also created a new highway freight program and required states to establish a state freight plan. FAST streamlined environmental review and permitting processes, which expedites project delivery. It also included corresponding increases in public transportation funding, expanding public-private investment and partnerships, and allowed more state control in safety programs.

Idaho Transportation Department

Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	1,648.00	0	700,814,600	1,648.00	0	700,814,600
Reappropriation	0.00	0	364,320,800	0.00	0	364,320,800
Supplementals						
Transportation Services						
1. D5 Headquarters Roof Replacement	0.00	0	330,000	0.00	0	330,000
Contract Construction & Right-of-Way Acqui						
1. Strategic Initiatives Program Fund	0.00	0	62,160,300	0.00	0	62,160,300
2. FHWA Grant I-84 Projects	0.00	0	90,240,000	0.00	0	90,240,000
Cash Transfers & Adjustments	0.00	0	0	0.00	0	0
FY 2019 Total Appropriation	1,648.00	0	1,217,865,700	1,648.00	0	1,217,865,700
Removal of Onetime Expenditures	0.00	0	(566,201,500)	0.00	0	(566,201,500)
Base Adjustments	0.00	0	(23,707,700)	0.00	0	(23,707,700)
FY 2020 Base	1,648.00	0	627,956,500	1,648.00	0	627,956,500
Benefit Costs	0.00	0	416,500	0.00	0	(752,500)
Replacement Items	0.00	0	23,411,200	0.00	0	23,401,200
Statewide Cost Allocation	0.00	0	1,178,400	0.00	0	1,178,400
Change in Employee Compensation	0.00	0	1,143,900	0.00	0	3,191,600
FY 2020 Program Maintenance	1,648.00	0	654,106,500	1,648.00	0	654,975,200
Line Items						
Transportation Services						
5. Increase to Idaho Airport Aid Program	0.00	0	450,000	0.00	0	450,000
6. Video Conference Equipment	0.00	0	458,000	0.00	0	458,000
9. Statewide Capital Facilities Needs	0.00	0	2,100,000	0.00	0	2,100,000
10. D3 Material Lab Testing Facility	0.00	0	350,000	0.00	0	350,000
11. D4 Headquarters Building	0.00	0	12,500,000	0.00	0	0
12. Additional Data Storage	0.00	0	206,000	0.00	0	206,000
13. Software License Compliance	0.00	0	146,400	0.00	0	146,400
14. Network Access Security	0.00	0	200,000	0.00	0	200,000
16. Information Technology Service Managem	0.00	0	1,235,000	0.00	0	985,000
17. Integration Service Layer for Software	0.00	0	1,800,200	0.00	0	1,500,200
Motor Vehicles						
4. DMV County Equipment	0.00	0	8,800	0.00	0	8,800
7. DMV Corrections ID Cards	0.00	0	45,600	0.00	0	45,600
Highway Operations						
3. Highway Operations Equipment	0.00	0	2,343,200	0.00	0	2,343,200
8. AASHTO Data Analytics Software	0.00	0	750,000	0.00	0	750,000
15. GIS Integration Initiative	0.00	0	1,255,000	0.00	0	1,255,000
18. FAST Act Increases	0.00	0	582,900	0.00	0	582,900
19. Public Transportation Federal Grants	0.00	0	1,416,000	0.00	0	1,416,000
Contract Construction & Right-of-Way Acqui						
1. TECM Revenue Increases	0.00	0	8,737,400	0.00	0	8,737,400
2. Excess Revenue and Receipts	0.00	0	37,192,400	0.00	0	50,242,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	147,600
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	1,648.00	0	725,883,400	1,648.00	0	726,899,700
Chg from FY 2019 Orig Approp.	0.00	0	25,068,800	0.00	0	26,085,100
% Chg from FY 2019 Orig Approp.	0.0%		3.6%	0.0%		3.7%

Idaho Transportation Department

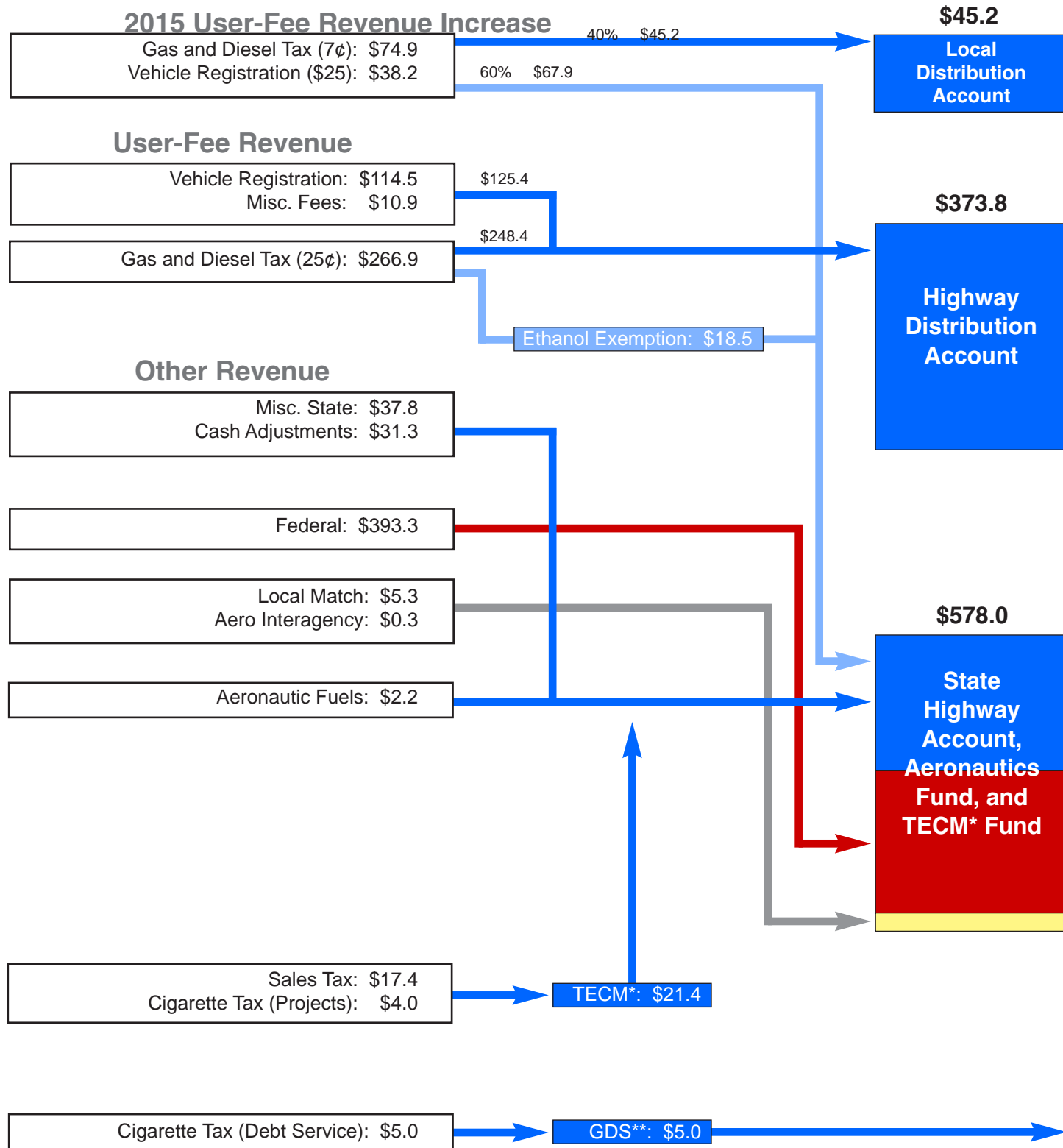
Agency Profile

Analyst: Otto

Idaho Transportation Department — FY 2020 Agency Request

(Dollars in millions — totals may not add due to rounding)

FUND SOURCES



*Transportation Expansion and Congestion Mitigation
**GARVEE Debt Service

Legend: State Funds Federal Funds Local and Interagency

Idaho Transportation Department

Agency Profile

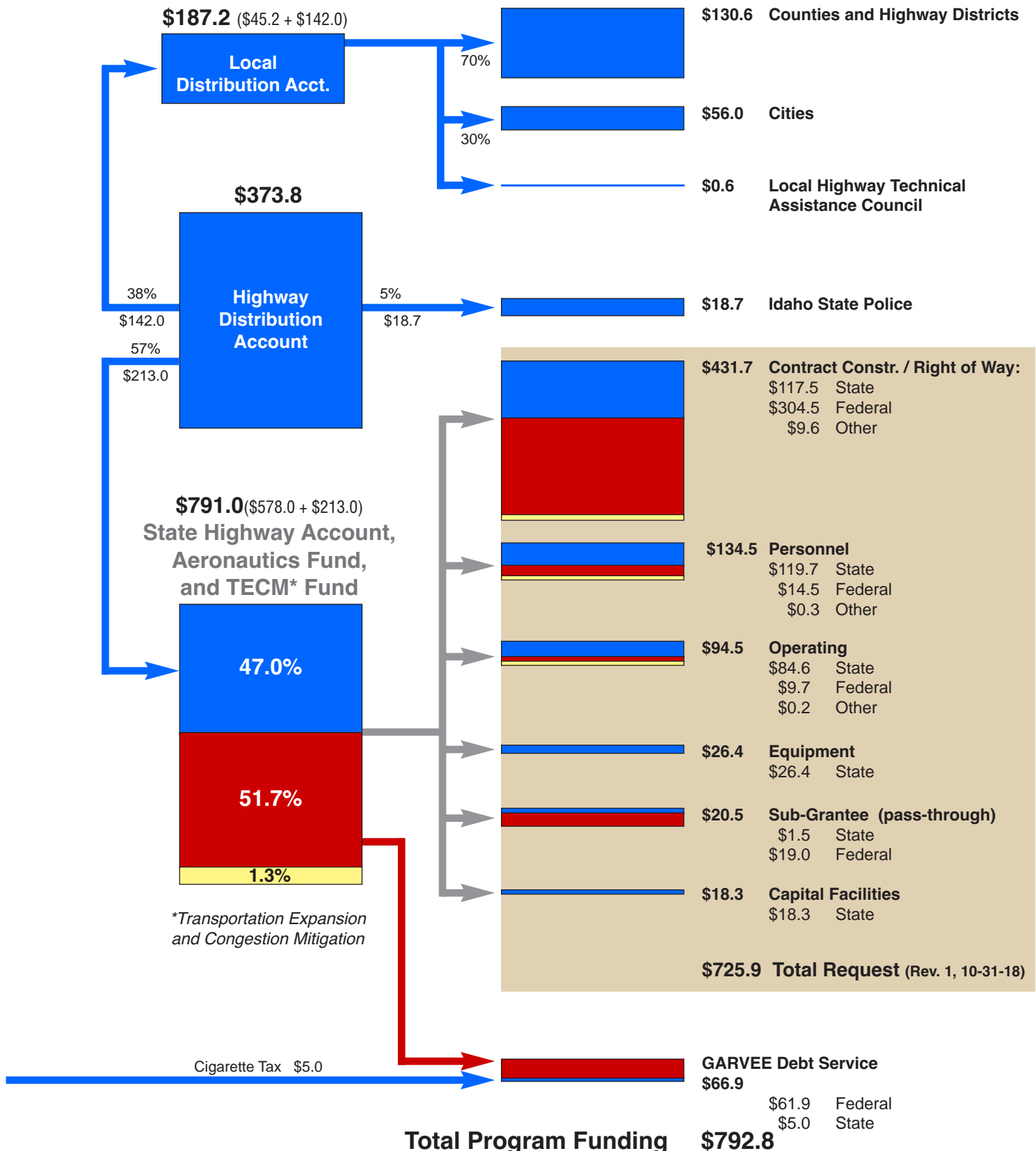
Analyst: Otto

Idaho Transportation Department — FY 2020 Agency Request

Rev. 1, 10-31-18

(Dollars in millions — totals may not add due to rounding)

FUND DISTRIBUTION



Legend:

State Funds

Federal Funds

Local and Interagency

Transportation Services

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	28,172,000	25,780,900	28,493,200	31,736,500	31,493,700
Capital Facilities	7,244,300	7,267,000	3,555,000	18,295,000	5,795,000
Aeronautics	4,334,100	3,165,800	5,401,800	3,601,800	3,611,100
Total:	39,750,400	36,213,700	37,450,000	53,633,300	40,899,800
BY FUND CATEGORY					
Dedicated	38,245,200	35,038,400	35,714,300	51,894,200	39,156,000
Federal	1,505,200	1,175,300	1,735,700	1,739,100	1,743,800
Total:	39,750,400	36,213,700	37,450,000	53,633,300	40,899,800
Percent Change:		(8.9%)	3.4%	43.2%	9.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	17,716,600	15,980,400	18,361,300	18,581,900	18,750,800
Operating Expenditures	10,325,400	10,013,900	11,066,700	14,334,100	13,931,700
Capital Outlay	9,274,300	8,989,400	6,832,000	19,377,300	6,877,300
Trustee/Benefit	2,434,100	1,230,000	1,190,000	1,340,000	1,340,000
Total:	39,750,400	36,213,700	37,450,000	53,633,300	40,899,800
Full-Time Positions (FTP)	203.00	203.00	209.00	209.00	209.00

Division Description

The Transportation Services Division includes the following three programs:

- 1) Administration develops long-range budgetary plans; develops legislation and operates information systems; provides employee services, financial services, and facilities management; and coordinates research activities.
- 2) Capital Facilities administers the design, building, and maintenance of department facilities.
- 3) Aeronautics assists Idaho municipalities in developing their airports and operates the state's air fleet.

Transportation Services

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	209.00	0	37,450,000	209.00	0	37,450,000
Reappropriation	0.00	0	908,500	0.00	0	908,500
1. D5 Headquarters Roof Replacement	0.00	0	330,000	0.00	0	330,000
Cash Transfers & Adjustments	0.00	0	0	0.00	0	0
FY 2019 Total Appropriation	209.00	0	38,688,500	209.00	0	38,688,500
Removal of Onetime Expenditures	0.00	0	(6,600,700)	0.00	0	(6,600,700)
Base Adjustments	0.00	0	(62,200)	0.00	0	(62,200)
FY 2020 Base	209.00	0	32,025,600	209.00	0	32,025,600
Benefit Costs	0.00	0	60,200	0.00	0	(87,200)
Replacement Items	0.00	0	1,906,300	0.00	0	1,906,300
Statewide Cost Allocation	0.00	0	35,200	0.00	0	35,200
Change in Employee Compensation	0.00	0	160,400	0.00	0	476,700
FY 2020 Program Maintenance	209.00	0	34,187,700	209.00	0	34,356,600
5. Increase to Idaho Airport Aid Program	0.00	0	450,000	0.00	0	450,000
6. Video Conference Equipment	0.00	0	458,000	0.00	0	458,000
9. Statewide Capital Facilities Needs	0.00	0	2,100,000	0.00	0	2,100,000
10. D3 Material Lab Testing Facility	0.00	0	350,000	0.00	0	350,000
11. D4 Headquarters Building	0.00	0	12,500,000	0.00	0	0
12. Additional Data Storage	0.00	0	206,000	0.00	0	206,000
13. Software License Compliance	0.00	0	146,400	0.00	0	146,400
14. Network Access Security	0.00	0	200,000	0.00	0	200,000
16. Info Tech Service Mgmt.	0.00	0	1,235,000	0.00	0	985,000
17. Integration Service Layer for Software	0.00	0	1,800,200	0.00	0	1,500,200
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	147,600
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	209.00	0	53,633,300	209.00	0	40,899,800
Change from Original Appropriation	0.00	0	16,183,300	0.00	0	3,449,800
% Change from Original Appropriation			43.2%			9.2%

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	209.00	0	35,714,300	1,735,700	37,450,000

Reappropriation

Aeronautics

The department was authorized to reappropriate and carryover its unencumbered and unexpended appropriation balance from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the next year's base.

Agency Request	0.00	0	908,500	0	908,500
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>908,500</i>	<i>0</i>	<i>908,500</i>

1. D5 Headquarters Roof Replacement

Capital Facilities

The department requests \$330,000 in onetime capital outlay to replace the roof at its District 5 headquarters located in Pocatello. The roof was installed 25 years ago and temporary repairs were completed in 2017. The roof continues to leak and the department has decided to go out for bid in early 2019. This was appropriated for FY 2018 but the department states that the Division of Public Works did not initiate the project due to a backlog of other projects.

Agency Request	0.00	0	330,000	0	330,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>330,000</i>	<i>0</i>	<i>330,000</i>

Cash Transfers & Adjustments

Administration

The department requests legislative approval for a onetime cash transfer of up to \$1,176,000 to transfer cash from the GARVEE Capital Project Fund to the State Highway Fund. During FY 2018, the department utilized a Federal Highway Administration approved approach called "Advance Construction" wherein development of eligible work on the US-95 Garwood to Sagle corridor totaled \$1,175,642.26. The department chose to use cash from the State Highway Fund instead of issuing GARVEE Bonds for a small dollar amount. The department plans to issue GARVEE bonds in the spring of 2019, and this adjustment would transfer the cash back to the State Highway Fund.

The department requests this transfer under the authority of Section 67-3604, Idaho, Code which states, "Closing accounts by state controller. The state controller shall close his accounts as to all appropriations on the day following the close of each fiscal year, and transfer all balances unencumbered at the close of business on the preceding day to the accounts from which such appropriations are severally made. Error corrections resulting from a fiscal year's activities may be recorded without legislative authorization in the following fiscal year, provided the corrections do not exceed five hundred thousand dollars (\$500,000) and are recorded within six (6) months of the end of the fiscal year. Corrections exceeding five hundred thousand dollars (\$500,000) or discovered more than six (6) months after the end of the fiscal year shall be approved by the legislature."

Analyst Note: This request is not being made to fix an error as allowed by law, rather, the department chose to use the State Highway Fund instead of issuing GARVEE bonds, and the department has requested to set aside Section, 67-3604, Idaho Code, with notwithstanding language.

If this request is approved the language would need to read as follows:

SECTION 5. LEGISLATIVE AUTHORIZATION FOR PRIOR PERIOD ADJUSTMENTS. Notwithstanding Section 67-3604, Idaho Code, the Idaho Department of Transportation is hereby authorized, and the Office of the State Controller shall make, the necessary prior period adjustments not to exceed \$1,176,000 from the GARVEE Capital Project Fund to the State Highway Fund for transactions recorded in fiscal year 2018.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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FY 2019 Total Appropriation					
Agency Request	209.00	0	36,952,800	1,735,700	38,688,500
<i>Governor's Recommendation</i>	<i>209.00</i>	<i>0</i>	<i>36,952,800</i>	<i>1,735,700</i>	<i>38,688,500</i>

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Removal of Onetime Expenditures					
This action removes amounts for replacement items and line items funded on a onetime basis in FY 2019.					
Agency Request	0.00	0	(6,600,700)	0	(6,600,700)
<i>Governor's Recommendation</i>	0.00	0	(6,600,700)	0	(6,600,700)

Base Adjustments

Administration, Aeronautics

In the Administration Program: A net zero transfer of \$100,000 in federal appropriation from trustee and benefit payments to operating expenditures on an ongoing basis. The department has a base appropriation of \$628,000 for federally funded Disadvantaged Business Enterprise, Equal Employment Opportunity, and On-The-Job Training Supportive Services Programs, however, the department forecasts using additional operating expenditures going forward. Additionally, the department requests a transfer of \$10,900 in operating expenditures from the Administration Program to the Highway Operations Division and a transfer of \$51,300 in operating expenditures from the Administration Program to the Motor Vehicles Division for Microsoft licensing.

In the Aeronautics Program: Reduces \$19,700 out of the State Aeronautics Fund and \$2,700 from the State Aeronautics - Federal Fund to increase the State Aeronautics - Billings Fund by \$22,400 to align appropriations to funding levels.

Agency Request	0.00	0	(59,500)	(2,700)	(62,200)
<i>Governor's Recommendation</i>	0.00	0	(59,500)	(2,700)	(62,200)

FY 2020 Base

Agency Request	209.00	0	30,292,600	1,733,000	32,025,600
<i>Governor's Recommendation</i>	209.00	0	30,292,600	1,733,000	32,025,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	58,500	1,700	60,200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	0.00	0	(84,800)	(2,400)	(87,200)
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Replacement Items

The Administration Program requests \$1,765,800 to replace support licensing for 117 routers, switches, and firewalls; 14 data storage array modules; 31 laptop docking stations; tablets and accessories; computer equipment, two printers, one desk, two desk chairs, and a security information and event management system.

The Aeronautics Program requests \$140,500 to replace phones, computers, laptops, a utility trailer, an electric irrigation pump, a road side motor, a drone, an aircraft tug, and the left and right engine for the King Air passenger aircraft.

Agency Request	0.00	0	1,906,300	0	1,906,300
<i>Governor's Recommendation</i>	0.00	0	1,906,300	0	1,906,300

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$3,000, risk management costs will increase by \$2,900, State Controller fees will increase by \$33,100, and State Treasurer fees will increase by \$2,200, for a net increase of \$35,200.

Agency Request	0.00	0	35,200	0	35,200
<i>Governor's Recommendation</i>	0.00	0	35,200	0	35,200

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	156,000	4,400	160,400
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	463,500	13,200	476,700
FY 2020 Program Maintenance					
Agency Request	209.00	0	32,448,600	1,739,100	34,187,700
Governor's Recommendation	209.00	0	32,612,800	1,743,800	34,356,600
5. Increase to Idaho Airport Aid Program					Aeronautics
The department requests an ongoing appropriation of \$450,000 in trustee and benefits from the State Aeronautics Fund to increase the amount of available funding for the Idaho Airport Aid Program (IAAP). The IAAP provides matching funds to municipal governments for public improvement, as well as assistance to small community airports. The FY 2020 base is \$550,000, and this request would bring the total ongoing appropriation to \$1,000,000 if it is funded. The IAAP is administered according to Idaho Administrative Code, IDAPA 39.04.04.					
Agency Request	0.00	0	450,000	0	450,000
Governor's Recommendation	0.00	0	450,000	0	450,000
6. Video Conference Equipment					Administration
The department requests a total of \$458,000 from the State Highway Fund to upgrade statewide video conferencing equipment. There are 42 Transportation Department video conferencing endpoints across the state, and this request would add an additional three access points. Of this request, \$15,500 is ongoing for annual license fees, \$342,900 in onetime capital outlay would provide the 45 sets of equipment, \$32,000 in operating expenditures to purchase 33 conference room phones, with the remaining \$67,600 in operating expenditures for contracted vendor configuration and installation. This upgrade will provide access to the video conference systems from both internal and external devices. The department believes that this upgrade will provide increased customer service by the enhancement of interaction with mobile devices, and the improvement of video and audio quality.					
Agency Request	0.00	0	458,000	0	458,000
Governor's Recommendation	0.00	0	458,000	0	458,000

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
9. Statewide Capital Facilities Needs					Capital Facilities

The department requests a total of \$2,100,000 from the State Highway Fund for facility improvements statewide. Of the amount requested, \$270,000 in ongoing operating expenditures is for travel costs, annual rotating district-wide property condition assessments, project feasibility studies, and land surveys.

The total needed for capital facilities in FY 2020 is \$5,445,000:
 \$3,295,000 in the FY 2020 Base from the State Highway Fund;
 \$50,000 in the FY 2020 Base from the Aeronautics Fund;
 \$270,000 ongoing from the State Highway Fund; and
 \$1,830,000 onetime from the State Highway Fund.

Projects by District:

District 1 total: \$400,000;
 \$300,000 for Clarkia Salt Shed;
 \$60,000 for architectural and engineering design services at the Bonners Ferry maintenance building addition; and
 \$40,000 for a Server Room Fire System replacement at headquarters.

District 2 total: \$1,330,000;
 \$1,000,000 for an ADA accessible ramp and conference room renovation at the main office;
 \$300,000 for salt storage in Kendrick; and
 \$30,000 for architectural and engineering design services at the Grangeville equipment shed.

District 3 total: \$70,000;
 \$45,000 for architectural and engineering design services at \$15,000 each at Council, New Plymouth, and Emmett; and
 \$25,000 for architectural and engineering design services to relocate and extend the Cascade Salt Shed.

District 5 total: \$550,000;
 \$250,000 for the headquarters building chemical storage renovation; and
 \$300,000 for the Pocatello brine making facility upgrade.

District 6 total: \$1,560,000;
 \$300,000 for the Challis equipment shed;
 \$300,000 for the Salmon equipment shed;
 \$600,000 for the Dubois brine facility and well;
 \$30,000 for architectural and engineering design services at the Mackay equipment shed;
 \$30,000 for architectural and engineering design services at the Driggs equipment shed; and
 \$300,000 to rebuild a sewer line in Rigby.

Recurring alterations and repairs total: \$1,535,000;
 \$1,085,000 for districts 1-6 and 9 at \$155,000 each;
 \$50,000 for the Aeronautics Program;
 \$100,000 for statewide preventative maintenance; and
 \$300,000 for travel, property condition assessments.

Agency Request	0.00	0	2,100,000	0	2,100,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,100,000</i>	<i>0</i>	<i>2,100,000</i>

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
10. D3 Material Lab Testing Facility					Capital Facilities
The department requests \$350,000 in onetime capital outlay to renovate an existing building for its material lab testing. The Division of Building Safety (DBS) inspected the lab during renovations to the district 3 shop located in Boise, and DBS determined the building to be out of compliance due to accessibility, health, and safety concerns. After the determination, the department has been using the lab for storage. The lab is used to test the quality of highway materials such as asphalt and concrete. The lab houses between 60 and 70 internal samplers and approximately 150 contractors. Currently, the testing is taking place in portable test trailers that are only meant for one person though often three or more people are needed for the test.					
Agency Request	0.00	0	350,000	0	350,000
Governor's Recommendation	0.00	0	350,000	0	350,000
11. D4 Headquarters Building					Capital Facilities
The department requests \$12,500,000 in onetime capital outlay to build a new headquarters in district 4. Currently, the building is located in Shoshone and houses approximately 51 employees. Studies of the building show major deficiencies and, as a result, the department requests to build a new facility. The new facility will include open space rooms to allow effective employee interactions while working together as teams, provide for an open floor plan, and provide room for an additional 15 employees currently located in Twin Falls and Rupert that are needed at headquarters.					
The department is requesting to move the headquarters out of Shoshone to land on the southwest corner of the I84/US93 interchange near Twin Falls. The department intends to co-locate with the Military Division and the Department of Corrections. The department believes that the central location will increase service to the public, retain and enhance recruitment efforts by the district, and consolidate district staff to one location.					
Agency Request	0.00	0	12,500,000	0	12,500,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
12. Additional Data Storage					Administration
The department requests \$206,000 onetime for additional data storage to meet the growing needs of the department. Of the total, \$60,000 is from operating expenditures for support and licensing, and \$146,000 is from capital outlay to purchase and install new equipment. This request would fund three shelves, 68 spinning disks, and 25 serial attached SCSI (SAS) discs. The department currently has 175 spinning disks and 30 SAS disks providing 258 terabytes of data storage. The department states that these cannot be replaced with larger capacity disks and the module will need to be expanded for additional storage. The department has focused on record retention and implementation of data and information governance as well as moving shared data to SharePoint or other cloud based solutions. The department is currently at 76% capacity and anticipates to be above 80% by FY 2020. The department is not requesting ongoing funding at this time as the \$60,000 will fund a 17-month support contract; after that time the department may request additional appropriation for a new support contract.					
Agency Request	0.00	0	206,000	0	206,000
Governor's Recommendation	0.00	0	206,000	0	206,000
13. Software License Compliance					Administration
The department requests \$146,400 from the State Highway Fund to purchase the Advantage Employee Self-Service software licenses. Of the total, \$26,400 is for ongoing license fees and the remainder is for the onetime costs of the initial software purchase. The self-service software is used for processing payroll and employee timesheets. During a recent software update, the vendor discovered that it had not charged the department for the licensing since 2006. This request would cover the ongoing costs of the licensing as well as the onetime purchase of the software.					
Agency Request	0.00	0	146,400	0	146,400
Governor's Recommendation	0.00	0	146,400	0	146,400

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
14. Network Access Security					Administration
<p>The department requests \$200,000 in onetime operating expenditures from the State Highway Fund to purchase, install, and train employees on new network access control devices and software. Of the total, \$80,000 represents configuration, installation, support, licensing, and training for a five-year support contract with the remaining \$120,000 for the purchase of network access control devices. Currently, IT staff have controls in place to verify and control access to wireless networks, and this request would expand coverage to all network connections, including hardwired and wireless access points. The department does not know what the onetime acquisition costs will be but it plans to transfer the amount needed from operating expenditures to capital outlay once the amount is known during FY 2020. The department is not requesting any ongoing funds at this time as this amount includes a five-year support contract; at the end of that contract an additional appropriation may be requested.</p>					
Agency Request	0.00	0	200,000	0	200,000
Governor's Recommendation	0.00	0	200,000	0	200,000
16. Info Tech Service Mgmt.					Administration
<p>The department requests \$1,235,000 in onetime operating expenditures from the State Highway Fund to modernize their Information Technology Service Management (ITSM) platform. The ITSM system will facilitate and coordinate business processes and service delivery of project management, release management, change management, operational support, customer service, security, and reporting. The current ITSM platform, LANDesk-Service Desk was implemented in 2012, and the department notes that, in addition to nearing end-of-life, it has not been utilized as efficiently or effectively as hoped. Newer functionality may provide additional self-service for the department's 3,500 IT helpdesk users (including contractors and employees), real-time status updates, data metrics and reporting on IT needs, and automated case categorization, prioritization, and assignment. There is currently \$150,000 in the base budget for ongoing maintenance costs, however, true ongoing costs are unknown. This request also includes a 20% contingency to compensate for unknown developments. The department was appropriated \$1,225,000 for FY 2019 for a Target Operating Model (TOM) for IT, which will focus on developing people, processes, and technology. The department is currently working on process improvements and creating efficiencies for the TOM and the outcome will determine how the department moves forward with the ITSM. The request is broken down as follows:</p> <p>\$675,000 to purchase and have the vendor configure and install the ITSM solution; \$280,000 to contract a project manager, business analyst, and solution architect; \$30,000 to develop and deliver training; and \$250,000 for a 20% contingency to cover unanticipated costs.</p>					
Agency Request	0.00	0	1,235,000	0	1,235,000
<i>Recommended by the Governor, with the exception of \$250,000 for the contingency.</i>					
Governor's Recommendation	0.00	0	985,000	0	985,000

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
17. Integration Service Layer for Software					Administration

The department requests \$1,800,200 in onetime operating expenditures to plan, design, build, and implement an Application Programming Interface (API) layer. An API allows two independent applications to communicate and exchange information. The department believes that through implementing this API it will eventually serve as a single point of software for ITD's network. The project is expected to last 15 months: 12 months in FY 2020 and three months into FY 2021. The department plans to encumber the funds from FY 2020 to FY 2021. The budget request breaks down as follows:

\$780,000 for three contracted software developers;
 \$291,200 for two contracted business analysts;
 \$208,000 for one contracted system administrator;
 \$104,000 for one contracted part-time project manager;
 \$65,000 for one contracted part-time software architect;
 \$52,000 for one contracted part-time technical writer; and
 \$300,000 for a 20% contingency to cover any unanticipated costs or unknowns.

The department is not requesting any ongoing costs but future costs will prompt additional funding requests if additional applications are integrated onto the service layer.

Analyst Note: Pursuant to Section 67-3521(2), Idaho Code, encumbrances are unable to be used as a means of reserving a portion of the appropriation from one fiscal year to the next; "Encumbrances shall be reported as reductions against appropriations in anticipation of an object coded expenditure, shall be made only for a legally contracted obligation or for the accrued cost of a specific product or service due and payable prior to or as of the end of the current fiscal year or for the term of the contract obligation, and shall not be used as a means of reserving a portion of the appropriation of one (1) fiscal year to be used in combination with the appropriation of the following year."

Agency Request	0.00	0	1,800,200	0	1,800,200
<i>Recommended by the Governor, with the exception of \$300,000 for the contingency.</i>					
Governor's Recommendation	0.00	0	1,500,200	0	1,500,200

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	147,600	0	147,600

Budget Law Exemptions

Capital Facilities, Aeronautics

The agency requests the following language to be included in its FY 2020 appropriation bill:

REAPPROPRIATION AUTHORITY FOR CAPITAL FACILITIES. There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balances appropriated or reappropriated to the Idaho Transportation Department from the State Highway Fund and the State Aeronautics Fund for the Capital Facilities Division for fiscal year 2019 to be used for nonrecurring expenditures for the Capital Facilities Division for the period July 1, 2019, through June 30, 2020.

REAPPROPRIATION AUTHORITY FOR AIRPORT DEVELOPMENT GRANTS. There is hereby reappropriated to the Idaho Transportation Department any unexpended or unencumbered balances appropriated or reappropriated to the Idaho Transportation Department from the State Aeronautics Fund as Trustee and Benefit payments for Airport Development Grants for fiscal year 2019 to be used for nonrecurring expenditures related to Airport Development Grants for the period of July 1, 2019, through June 30, 2020.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Transportation Services

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	209.00	0	51,894,200	1,739,100	53,633,300
<i>Governor's Recommendation</i>	<i>209.00</i>	<i>0</i>	<i>39,156,000</i>	<i>1,743,800</i>	<i>40,899,800</i>
Agency Request					
Change from Original App	0.00	0	16,179,900	3,400	16,183,300
% Change from Original App	0.0%		45.3%	0.2%	43.2%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>0</i>	<i>3,441,700</i>	<i>8,100</i>	<i>3,449,800</i>
<i>% Change from Original App</i>	<i>0.0%</i>		<i>9.6%</i>	<i>0.5%</i>	<i>9.2%</i>

Motor Vehicles

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	34,844,000	33,972,500	34,000,500	33,971,000	34,045,100
Federal	3,600,000	1,662,600	3,600,000	3,600,000	3,600,000
Total:	38,444,000	35,635,100	37,600,500	37,571,000	37,645,100
Percent Change:		(7.3%)	5.5%	(0.1%)	0.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	15,337,100	14,610,200	15,391,200	15,564,400	15,648,500
Operating Expenditures	22,263,100	20,091,100	21,642,500	21,458,600	21,458,600
Capital Outlay	843,800	933,800	566,800	548,000	538,000
Total:	38,444,000	35,635,100	37,600,500	37,571,000	37,645,100
Full-Time Positions (FTP)	237.00	237.00	237.00	237.00	237.00

Division Description

The Division of Motor Vehicles (DMV) manages driver's licenses, vehicle registrations, license plates, and vehicle titles. This division also works to meet the needs and expectations of motor vehicle customers and the county sheriffs and assessors who work as the department's agents.

Motor Vehicles

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	237.00	0	37,600,500	237.00	0	37,600,500
Removal of Onetime Expenditures	0.00	0	(1,024,900)	0.00	0	(1,024,900)
Base Adjustments	0.00	0	51,300	0.00	0	51,300
FY 2020 Base	237.00	0	36,626,900	237.00	0	36,626,900
Benefit Costs	0.00	0	46,700	0.00	0	(118,000)
Replacement Items	0.00	0	730,200	0.00	0	720,200
Statewide Cost Allocation	0.00	0	(13,700)	0.00	0	(13,700)
Change in Employee Compensation	0.00	0	126,500	0.00	0	375,300
FY 2020 Program Maintenance	237.00	0	37,516,600	237.00	0	37,590,700
4. DMV County Equipment	0.00	0	8,800	0.00	0	8,800
7. DMV Corrections ID Cards	0.00	0	45,600	0.00	0	45,600
FY 2020 Total	237.00	0	37,571,000	237.00	0	37,645,100
Change from Original Appropriation	0.00	0	(29,500)	0.00	0	44,600
% Change from Original Appropriation			(0.1%)			0.1%

Motor Vehicles

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	237.00	0	34,000,500	3,600,000	37,600,500
Removal of Onetime Expenditures					
This action removes amounts for replacement items and line items funded on a onetime basis in FY 2019.					
Agency Request	0.00	0	(1,024,900)	0	(1,024,900)
Governor's Recommendation	0.00	0	(1,024,900)	0	(1,024,900)
Base Adjustments					
The department requests an ongoing transfer of \$51,300 in operating expenditures from the Administration Program to the Motor Vehicles Division for Microsoft licensing.					
Agency Request	0.00	0	51,300	0	51,300
Governor's Recommendation	0.00	0	51,300	0	51,300
FY 2020 Base					
Agency Request	237.00	0	33,026,900	3,600,000	36,626,900
Governor's Recommendation	237.00	0	33,026,900	3,600,000	36,626,900
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	0	46,700	0	46,700
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	0	(118,000)	0	(118,000)
Replacement Items					
The Division of Motor Vehicles requests \$730,200 to replace portable radios, printers, conference room desks and chairs, network equipment, phones, computers and laptops, open/close signs, scale weight indicators and replacement scales, and mountable recorders.					
Agency Request	0.00	0	730,200	0	730,200
Governor's Recommendation	0.00	0	720,200	0	720,200
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$700, and risk management costs will decrease by \$13,000, for a net reduction of \$13,700.					
Agency Request	0.00	0	(13,700)	0	(13,700)
Governor's Recommendation	0.00	0	(13,700)	0	(13,700)
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	126,500	0	126,500
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$900 for that purpose.</i>					
Governor's Recommendation	0.00	0	375,300	0	375,300
FY 2020 Program Maintenance					
Agency Request	237.00	0	33,916,600	3,600,000	37,516,600
Governor's Recommendation	237.00	0	33,990,700	3,600,000	37,590,700

Motor Vehicles

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. DMV County Equipment					Motor Vehicles
The department requests a onetime appropriation of \$8,800 to acquire equipment in the county driver licensing and motor vehicle offices. Items will include eight computer workstations at \$1,100 each for a total of \$8,800. Additional resources will help counties provide better customer service as customer volume is increasing. Currently, there are 114 statewide county DMVs throughout Idaho; 59 assessor (motor vehicle) locations, and 55 sheriff (drivers licensing) locations.					
Agency Request	0.00	0	8,800	0	8,800
Governor's Recommendation	0.00	0	8,800	0	8,800
7. DMV Corrections ID Cards					Motor Vehicles
The department requests \$7,700 in onetime capital outlay, \$8,100 in onetime operating expenditures, and \$29,800 in ongoing operating expenditures for a total of \$45,600 to acquire additional purchased or leased equipment for identification card (ID) issuance at certain Idaho Department of Corrections (IDOC) facilities statewide. Currently, there are 13 IDOC facilities (nine prisons and four work centers) and this request would provide equipment at nine centralized locations to serve all 13 facilities. This equipment would allow inmates who are being released to obtain an ID prior to their release, however, this equipment will not provide drivers licenses, titles, or any other DMV-related services.					
On average, approximately 200 of the inmates released per month from all IDOC locations may require the issuance of an ID either prior to or immediately upon their release. Currently, IDOC escorts inmates from the four work centers to a county DMV office, however, due to issues with security levels and custody, inmates at the nine prison facilities are not escorted to a DMV office and are unable to obtain a valid ID until after their release. Providing IDOC with ID issuance equipment at centralized secure locations will allow IDs to be issued onsite, rather than requiring the transportation of inmates to county offices. The DMV is starting a pilot program during FY 2019 with two mobile stations and two fixed stations at IDOC locations to ensure that the technology works as expected. Additionally, the pilot project will help determine the locations of fixed stations. At the end of the pilot, the two fixed stations will be retained at the IDOC locations and are not included in the funding for this request.					
Agency Request	0.00	0	45,600	0	45,600
Governor's Recommendation	0.00	0	45,600	0	45,600
FY 2020 Total					
Agency Request	237.00	0	33,971,000	3,600,000	37,571,000
Governor's Recommendation	237.00	0	34,045,100	3,600,000	37,645,100
Agency Request					
Change from Original App	0.00	0	(29,500)	0	(29,500)
% Change from Original App	0.0%		(0.1%)	0.0%	(0.1%)
Governor's Recommendation					
Change from Original App	0.00	0	44,600	0	44,600
% Change from Original App	0.0%		0.1%	0.0%	0.1%

Highway Operations

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	161,474,700	159,218,300	158,810,100	165,136,500	164,200,300
Federal	38,087,300	30,505,500	35,356,400	37,835,900	37,922,800
Total:	199,562,000	189,723,800	194,166,500	202,972,400	202,123,100
Percent Change:		(4.9%)	2.3%	4.5%	4.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	98,724,800	83,561,500	97,736,200	100,377,800	99,528,500
Operating Expenditures	56,583,300	66,052,100	59,377,100	60,846,100	60,846,100
Capital Outlay	23,930,100	23,846,100	19,736,200	22,617,600	22,617,600
Trustee/Benefit	20,323,800	16,264,100	17,317,000	19,130,900	19,130,900
Total:	199,562,000	189,723,800	194,166,500	202,972,400	202,123,100
Full-Time Positions (FTP)	1,208.00	1,208.00	1,202.00	1,202.00	1,202.00

Division Description

The Highway Operations Division performs statewide highway maintenance functions and directs highway improvements; administers federal-aid safety improvement projects and safety tasks; protects highways from oversize, overweight, and dangerous usage; manages federal transit grant programs and encourages coordinated transportation services; develops projects to improve state and local highway systems to save lives; and coordinates transportation research efforts.

Highway Operations

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	1,202.00	0	194,166,500	1,202.00	0	194,166,500
Removal of Onetime Expenditures	0.00	0	(22,125,300)	0.00	0	(22,125,300)
Base Adjustments	0.00	0	1,485,900	0.00	0	10,900
FY 2020 Base	1,202.00	0	173,527,100	1,202.00	0	172,052,100
Benefit Costs	0.00	0	309,600	0.00	0	(547,300)
Replacement Items	0.00	0	20,774,700	0.00	0	20,774,700
Statewide Cost Allocation	0.00	0	1,156,900	0.00	0	1,156,900
Change in Employee Compensation	0.00	0	857,000	0.00	0	2,339,600
FY 2020 Program Maintenance	1,202.00	0	196,625,300	1,202.00	0	195,776,000
3. Highway Operations Equipment	0.00	0	2,343,200	0.00	0	2,343,200
8. AASHTO Data Analytics Software	0.00	0	750,000	0.00	0	750,000
15. GIS Integration Initiative	0.00	0	1,255,000	0.00	0	1,255,000
18. FAST Act Increases	0.00	0	582,900	0.00	0	582,900
19. Public Transportation Federal Grants	0.00	0	1,416,000	0.00	0	1,416,000
FY 2020 Total	1,202.00	0	202,972,400	1,202.00	0	202,123,100
Change from Original Appropriation	0.00	0	8,805,900	0.00	0	7,956,600
% Change from Original Appropriation			4.5%			4.1%

Highway Operations

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	1,202.00	0	158,810,100	35,356,400	194,166,500

Removal of Onetime Expenditures

This action removes amounts for replacement items and line items funded on a onetime basis in FY 2019.

Agency Request	0.00	0	(22,125,300)	0	(22,125,300)
Governor's Recommendation	0.00	0	(22,125,300)	0	(22,125,300)

Base Adjustments

The department requests a fund shift of \$405,300 to the State Highway (Dedicated) Fund, with \$6,900 coming from the State Highway (Local) Fund, and \$398,400 from the State Highway (Federal) Fund.

The department requests a restoration of \$1,475,000 in personnel cost appropriation that was reduced temporarily in FY 2019 to assist the Aeronautics Division in funding a \$2,000,000 replacement airplane.

The department requests an ongoing transfer of \$10,900 in operating expenditures from the Administration Program to the Highway Operations Division for Microsoft licensing.

Agency Request	0.00	0	1,884,300	(398,400)	1,485,900
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The Governor does not recommend the restoration of \$1,475,000 in personal costs but does recommend that the \$1,475,000 be used for highway construction on an ongoing basis; this can be found in the Contract Construction and Right-of-Way Acquisition Division.

Governor's Recommendation	0.00	0	409,300	(398,400)	10,900
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FY 2020 Base					
Agency Request	1,202.00	0	138,569,100	34,958,000	173,527,100
Governor's Recommendation	1,202.00	0	137,094,100	34,958,000	172,052,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	266,500	43,100	309,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(471,200)	(76,100)	(547,300)
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Replacement Items

The division requests \$20,774,700 to replace computers, chairs, monitors, cordless drills and batteries, various tools, an impact wrench, hose reels, office equipment, and various trucks and equipment that may be eligible for the Buy Back Program.

Agency Request	0.00	0	20,774,700	0	20,774,700
Governor's Recommendation	0.00	0	20,774,700	0	20,774,700

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$4,100, and risk management costs will increase by \$1,161,000, for a net increase of \$1,156,900.

Agency Request	0.00	0	1,156,900	0	1,156,900
Governor's Recommendation	0.00	0	1,156,900	0	1,156,900

Highway Operations

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	737,900	119,100	857,000
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$500 for that purpose.

Governor's Recommendation	0.00	0	2,014,400	325,200	2,339,600
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FY 2020 Program Maintenance

Agency Request	1,202.00	0	161,505,100	35,120,200	196,625,300
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Governor's Recommendation	1,202.00	0	160,568,900	35,207,100	195,776,000
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3. Highway Operations Equipment

Highway Operations

The department requests a onetime appropriation of \$2,343,200 from the State Highway Fund for equipment purchases in Districts 1, 2, 3, 4, and 6. This will fund the purchase of 63 units of various types of road, safety, measuring, and testing equipment.

New/additional equipment includes:

One striping truck for \$555,000;

one forklift for \$63,000;

one post driving truck for \$130,000;

one trailer mounted hot patcher for \$80,000;

one small vibratory roller for \$50,000;

one truck mounted broom for \$20,000;

two tow type litter retrieval machines at \$80,000 each for a total of \$160,000;

six trailer mounted arrow boards at \$6,500 each for a total of \$39,000;

eight trailer mounted message boards at \$20,000 each for a total of \$160,000;

42 crash attenuator units (29 at \$24,000 each and 13 at \$18,000 each) for a total of \$930,000; and
one truck mounted message board for \$11,000.

Operations equipment, mechanics tools, and miscellaneous equipment includes:

District 1 - \$141,000 for the operations of a new Athol maintenance shed (includes \$24,500 for furniture, \$10,800 for appliances, \$8,500 for battery jumpers and testers, and \$97,200 for shop tools); and

District 2 - \$4,200 for a Mack truck diesel engine tool set.

Agency Request	0.00	0	2,343,200	0	2,343,200
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Governor's Recommendation	0.00	0	2,343,200	0	2,343,200
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8. AASHTO Data Analytics Software

Highway Operations

The department requests \$750,000 in onetime operating expenditures for a federal grant received from the American Association of State Highway and Transportation Officials (AASHTO). Funding will be used to support a multi-state project to develop a data analytics module of AASHTOware software. AASHTO project software has modules that will assist the department staff with project management, bridge management, pavement design, and safety analysis. The multi-state project is estimated to cost \$11,000,000 but Idaho's share would be \$750,000.

Agency Request	0.00	0	0	750,000	750,000
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Governor's Recommendation	0.00	0	0	750,000	750,000
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Highway Operations

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
15. GIS Integration Initiative					
Highway Operations					
The department requests \$1,225,000 from the State Highway Fund to build out a Geographic Information Systems (GIS) Linear Referencing System (LRS) to bring all road and bridge data, operational data, and data from other state agencies into one universal system. This request would fund year two of a four-year \$4,000,000 project. The LRS is used to define all major assets through milepost, highway number, and locational data. The entire process will encompass upgrading the GIS database, provide an inventory and mapping capability, create a dual carriageway representation of the roads, and integrate LRS with all business operational systems at the department.					
The request for \$1,225,000 includes:					
\$240,000 to contract services for a project manager to develop business requirements, implement the project, and develop and deliver training (2,000 hours at \$120/hour);					
\$400,000 to contract services for two business analysts to gather information for requirements, data analysis, and testing (2,000 hours each at \$100/hour);					
\$100,000 to contract a developer to build out the solution and integrate systems (1,000 hours at \$100/hour);					
\$65,000 to contract an architect to integrate various systems (500 hours at \$130/hour); and					
\$450,000 for vendor specific professional services to provide GIS specific skills and knowledge.					
Agency Request	0.00	0	1,255,000	0	1,255,000
Governor's Recommendation	0.00	0	1,255,000	0	1,255,000
18. FAST Act Increases					
Highway Operations					
The department requests \$582,900 ongoing from federal and dedicated funds for a scheduled Fixing America's Surface Transportation (FAST) Act increase, of which \$549,700 is federal funds, and \$33,200 is from the State Highway Fund as the state match. This request includes the increase to FY 2020 levels following federal FAST Act funding and is detailed as follows:					
\$287,300 from the Federal Transportation Administration (FTA), with no state match;					
\$95,900 from the National Highway Transportation Safety Administration (NHTSA), requiring \$3,900 in state match;					
\$117,300 from the Federal Highway Administration (FHWA) Statewide Planning and Research Program, requiring \$29,300 in state match; and					
\$49,200 from the FHWA Metropolitan Planning (MPO), with no state match.					
Agency Request	0.00	0	33,200	549,700	582,900
Governor's Recommendation	0.00	0	33,200	549,700	582,900
19. Public Transportation Federal Grants					
Highway Operations					
The department requests \$1,416,000 in onetime federal trustee and benefit payments for two Federal Transit Administration (FTA) grants to improve public transportation. The first grant award was for \$500,000 to purchase or lease two heavy-duty battery electric busses and one fast charging station for the Mountain Rides Transportation Authority (MRTA) in Blaine County. The second grant for a total of \$916,000 was granted to MRTA (\$540,000), the City of Driggs (\$240,000), and the Selkirk Pend Oreille Transit (\$136,000) to purchase various multi-passenger vehicles.					
Agency Request	0.00	0	0	1,416,000	1,416,000
Governor's Recommendation	0.00	0	0	1,416,000	1,416,000
FY 2020 Total					
Agency Request	1,202.00	0	165,136,500	37,835,900	202,972,400
Governor's Recommendation	1,202.00	0	164,200,300	37,922,800	202,123,100
Agency Request					
Change from Original App	0.00	0	6,326,400	2,479,500	8,805,900
% Change from Original App	0.0%		4.0%	7.0%	4.5%
Governor's Recommendation					
Change from Original App	0.00	0	5,390,200	2,566,400	7,956,600
% Change from Original App	0.0%		3.4%	7.3%	4.1%

Contract Construction & Right-of-Way Acquisition

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	388,291,200	200,876,500	154,425,500	127,184,000	141,709,000
Federal	408,518,600	232,520,900	277,172,100	304,522,700	304,522,700
Total:	796,809,800	433,397,400	431,597,600	431,706,700	446,231,700
Percent Change:		(45.6%)	(0.4%)	0.0%	3.4%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	30,810,700	6,135,300	10,225,400	10,600,000	10,600,000
Capital Outlay	745,779,800	415,053,500	417,449,100	419,006,700	433,531,700
Trustee/Benefit	20,219,300	12,208,600	3,923,100	2,100,000	2,100,000
Total:	796,809,800	433,397,400	431,597,600	431,706,700	446,231,700

Division Description

The Contract Construction and Right-of-Way Acquisition Division accounts for the funds necessary for highway construction projects that maintain and improve the state's highway system. The current and useful life of the state's infrastructure depends on sufficient funding and efficient expenditure of these funds on necessary improvements.

Reappropriation represents funding authorized for projects which were in progress, but not yet completed, and therefore had not yet fully consumed their appropriation through the end of the prior year. As the backlog is completed, actual expenditures in subsequent years will usually be greater than the original appropriation provided.

In FY 2007, the Legislature approved H854 which provided bonding authority for the issuance of Grant Anticipation Revenue Vehicle (GARVEE) bonds. H547 of 2014 revised the distribution of cigarette tax revenues to provide up to \$4.7 million annually, for five years, to the GARVEE Debt Service Fund to pay the state's share of the annual bond payment. Additionally, there was a distribution of cigarette tax revenues to the State Highway Account to pay for highway maintenance which is variable and contingent upon the amount of revenues generated.

Just after Sine Die of the 2015 session, H312 was signed into law. It raised the gas tax by 7 cents and increased the registration fee by \$21 for personal vehicles and \$25 for commercial vehicles. At that time, the new revenue was estimated to generate approximately \$94 million annually. The ongoing increase in registration and motor fuels is being split 60% - 40% between the State Highway Account and local units of government. Furthermore, the bill provided that any funds from an unrecognized General Fund revenue surplus be split equally and deposited into the Budget Stabilization Fund and the Strategic Initiative Program Fund at the end of fiscal years 2015 and 2016, after which time the surplus eliminator language would sunset. When the FY 2015 books closed in July 2015, each fund received \$54.2 million. The FY 2016 transfer was approximately \$11 million each to the Budget Stabilization Fund and the Strategic Initiative Program Fund. The FY 2017 transfer was \$27.5 million split 60/40 between ITD and the local units of government. The FY 2018 transfer was approximately 60.3 million split 60/40 between ITD and the local units of government.

S1206 of 2017 authorized an additional \$300 million in GARVEE bonding authority, extended the surplus eliminator for two years while adding a 60/40 split between Idaho Transportation Department (ITD) and the local units of government for the Strategic Initiative Program portion, and created the Transportation Expansion and Congestion Mitigation (TECM) Fund. The TECM Fund is funded through 1% of sales tax revenue; estimated to generate approximately \$15 million in 2018, as well as a distribution from the cigarette tax.

Contract Construction & Right-of-Way Acquisition

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	0	431,597,600	0.00	0	431,597,600
Reappropriation	0.00	0	363,412,300	0.00	0	363,412,300
1. Strategic Initiatives Program Fund	0.00	0	62,160,300	0.00	0	62,160,300
2. FHWA Grant I-84 Projects	0.00	0	90,240,000	0.00	0	90,240,000
FY 2019 Total Appropriation	0.00	0	947,410,200	0.00	0	947,410,200
Removal of Onetime Expenditures	0.00	0	(536,450,600)	0.00	0	(536,450,600)
Base Adjustments	0.00	0	(25,182,700)	0.00	0	(23,707,700)
FY 2020 Base	0.00	0	385,776,900	0.00	0	387,251,900
1. TECM Revenue Increases	0.00	0	8,737,400	0.00	0	8,737,400
2. Excess Revenue and Receipts	0.00	0	37,192,400	0.00	0	50,242,400
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	0.00	0	431,706,700	0.00	0	446,231,700
Change from Original Appropriation	0.00	0	109,100	0.00	0	14,634,100
% Change from Original Appropriation			0.0%			3.4%

Contract Construction & Right-of-Way Acquisition

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	0	154,425,500	277,172,100	431,597,600

Reappropriation

The department was authorized to reappropriate and carryover its unencumbered and unexpended appropriation balance from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 base.

Agency Request	0.00	0	227,320,000	136,092,300	363,412,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>227,320,000</i>	<i>136,092,300</i>	<i>363,412,300</i>

1. Strategic Initiatives Program Fund

Contract Construction & Right-of-Way Acquisition

The department requests a onetime supplemental appropriation of \$62,160,300 from the Strategic Initiatives Program (SIP) Fund. This represents the amount transferred from the General Fund, plus interest, at the close of FY 2018 as a result of the surplus eliminator. H312 of 2015 required any excess cash balance from the General Fund to be split equally and deposited into the Budget Stabilization Fund and the Strategic Initiatives Program Fund at the end of the fiscal year. The surplus eliminator clause in H312 of 2015 was due to sunset on May 30, 2017, but S1206 of 2017 extended the surplus eliminator for two years. S1206 of 2017 also requires that funds be split 60/40 between the Idaho Transportation Department (ITD) and the local units of government for the Strategic Initiative Program. The surplus eliminator is set to expire May 30, 2019. This request also includes interest calculated using the State Treasury's IDLE Pool.

The total amount requested to be appropriated to ITD's Strategic Initiatives Program Fund is \$37,697,800 (\$35,177,800 is 60%, plus interest of \$1,243,000).

The total amount requested to be appropriated to the local units of government's Strategic Initiatives Program Fund is \$24,462,500 (\$24,118,600 is 40%, plus interest of \$325,900).

Agency Request	0.00	0	62,160,300	0	62,160,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>62,160,300</i>	<i>0</i>	<i>62,160,300</i>

2. FHWA Grant I-84 Projects

Contract Construction & Right-of-Way Acquisition

The department requests \$90,240,000 in onetime federal funds from a Federal Highway Administration Infrastructure for Rebuilding America grant awarded to the department on August 29, 2018. It is expected that these funds will finance approximately 60% of the project to ease congestion on Interstate 84 between the Karcher Interchange and Franklin Boulevard. This project includes widening I-84 to three lanes in each direction for 2.8 miles, adding auxiliary lanes, replacing and widening an overpass and an under-sized canal structure, replacing and expanding two bridges over a railroad and a canal, performing ramp improvements, reconstructing an interchange, and rebuilding a bridge over the freeway.

Agency Request	0.00	0	0	90,240,000	90,240,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>90,240,000</i>	<i>90,240,000</i>

FY 2019 Total Appropriation

Agency Request	0.00	0	443,905,800	503,504,400	947,410,200
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>443,905,800</i>	<i>503,504,400</i>	<i>947,410,200</i>

Removal of Onetime Expenditures

This action removes amounts for replacement items and line items funded on a onetime basis in FY 2019.

Agency Request	0.00	0	(310,118,300)	(226,332,300)	(536,450,600)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(310,118,300)</i>	<i>(226,332,300)</i>	<i>(536,450,600)</i>

Contract Construction & Right-of-Way Acquisition

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Base Adjustments

The department requests a fund shift of \$548,000 from state funds to local funds. A greater degree of local funding has been made available through FAST Act increases, while state fund appropriations are in excess of need for FY 2020.

Also requested is a net zero object transfer to realign appropriation between funding sources based on a recent department review of appropriations and expenditures over the last five years. The following adjustments are requested:

a reduction of \$733,900 in capital outlay in the State Highway Fund with increases in operating expenditures (\$553,200) and trustee and benefit payments (\$180,700);

a reduction in both operating expenditures (\$171,500) and trustee and benefit payments (\$442,500) to increase local capital outlay funds by \$614,000;

and a reduction of both operating expenditures (\$7,100) and trustee and benefit payments (\$1,561,300) to increase federal capital outlay appropriation by \$1,568,400.

Lastly, the department requests a base reduction of \$24,032,600 from the State Highway Fund and \$3,295,900 from federal funds as the ongoing portion of the FY 2019 appropriation was in excess of department needs. This adjustment will not affect any currently planned projects.

Agency Request	0.00	0	(21,886,800)	(3,295,900)	(25,182,700)
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Recommended by the Governor, less an ongoing amount of \$1,475,000 that was requested to restore personnel costs in the Highway Operations Division and is recommended be used for highway construction.

Governor's Recommendation	0.00	0	(20,411,800)	(3,295,900)	(23,707,700)
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FY 2020 Base

Agency Request	0.00	0	111,900,700	273,876,200	385,776,900
Governor's Recommendation	0.00	0	113,375,700	273,876,200	387,251,900

1. TECM Revenue Increases

Contract Construction & Right-of-Way Acquisition

The department requests \$8,737,400 from the Transportation Expansion and Congestion Mitigation (TECM) Fund for increases from revenue above projections. Of this total, \$3,595,200 is onetime and \$5,142,200 is ongoing. This fund was created through S1206 of 2017. According to Section 40-720, Idaho Code, "the fund... shall finance projects that expand the state system to address and mitigate transportation congestion. The projects shall be evaluated by the Idaho Transportation Department and shall be chosen by the Idaho Transportation Board based on a policy that may include mitigation of traffic times, improvement to traffic flow and mitigation of traffic congestion." Revenues to the fund are generated from a distribution of 1% of net sales tax collections (after revenue sharing for cities and counties), and a distribution of the cigarette tax.

These funds are as follows:

\$1,511,800 excess TECM receipts above appropriation through FY18;

\$2,491,200 increase in projected FY19 receipts (August 21, 2018 forecast); and

\$4,734,400 increase in projected FY20 receipts (August 21, 2018 forecast).

Agency Request	0.00	0	8,737,400	0	8,737,400
Governor's Recommendation	0.00	0	8,737,400	0	8,737,400

Contract Construction & Right-of-Way Acquisition

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Excess Revenue and Receipts					
Contract Construction & Right-of-Way Acquisition					
The department requests a total of \$37,192,400 onetime for additional capital outlay to align its appropriation with revenue for FY 2020. This request is for \$1,300,700 from the dedicated State Highway Fund, \$5,245,200 from the Local State Highway Fund, and \$30,646,500 in federal funds from the State Highway Fund.					
A total of \$10,906,400 of this funding was requested as supplemental line items, but not funded, in the 2018 legislative session: \$7,254,400 in federal funds (\$6,004,400 Federal Emergency Relief Funds awarded April 6, 2017 and \$1,250,000 in federal quick relief funds awarded May 17, 2017); \$252,000 from state funds awarded by the Military Division's Office of Emergency Management (IOEM); and \$3,400,000 from the State Highway-Local Fund to construct the Northgate (Siphon Road) interchange and connecting road infrastructure.					
The remainder of this request (\$26,286,000) comes from federal awards with related match that were awarded after the 2018 legislative session: \$6,750,000 in new Federal Emergency Relief funds (\$3,000,000 awarded November 27, 2018 and \$3,750,000 awarded April 19, 2018) and \$512,900 in required state match; \$14,392,100 in new Federal Surface Transportation Block Grants (STBG), funds were provided by the 2018 Federal Omnibus Appropriation (\$10,877,100 to ITD, \$3,515,000 to Locals); \$535,800 in state match for new Federal Highway Infrastructure Program funds; \$604,200 in local match on new Federal Highway Infrastructure Program funds; and \$2,250,000 for new federal Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) grant funds and \$1,241,000 in local match.					
Agency Request	0.00	0	6,545,900	30,646,500	37,192,400
<i>Recommended by the Governor, including an additional \$13,050,000 from the State Highway Fund for construction. The additional appropriation would come from the line items not funded in the Transportation Services Division; \$12,500,000 from line item 11, \$250,000 from line item 16, and \$300,000 from line item 17.</i>					
Governor's Recommendation	0.00	0	19,595,900	30,646,500	50,242,400

Budget Law Exemptions

The agency requests the following language to be included in its FY 2020 appropriation bill:

REAPPROPRIATION AUTHORITY: There is hereby reappropriated to the Idaho Transportation Department any unexpended and unencumbered balance of money categorized as the State Highway Fund, Strategic Initiatives Program Fund, or Transportation Expansion and Congestion Mitigation Fund for the Contract Construction and Right-of-Way Acquisition Division as appropriated or reappropriated for fiscal year 2019, to be used for nonrecurring expenditures, for the period July 1, 2019, through June 30, 2020.

CONTINUOUSLY APPROPRIATED MONEYS. All moneys transferred to the Local Bridge Inspection Fund and to the Railroad Grade Crossing Protection Fund, as provided in Section 63-2412, Idaho Code, are hereby continuously appropriated to the Idaho Transportation Department for the stated purpose of those funds.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Total					
Agency Request	0.00	0	127,184,000	304,522,700	431,706,700
Governor's Recommendation	0.00	0	141,709,000	304,522,700	446,231,700
Agency Request					
Change from Original App	0.00	0	(27,241,500)	27,350,600	109,100
% Change from Original App			(17.6%)	9.9%	0.0%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	0	(12,716,500)	27,350,600	14,634,100
% Change from Original App			(8.2%)	9.9%	3.4%

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Department of Administration

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Department of Administration

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Administration, Dept of	27,922,800	23,016,100	23,698,200	24,512,300	24,215,200
Capitol Commission	2,484,000	435,300	2,342,000	2,342,000	2,342,000
Bond Payments	12,303,000	11,409,300	11,877,000	20,177,000	20,177,000
Permanent Building Fund	118,671,000	31,414,400	77,772,000	48,773,700	70,370,500
Total:	161,380,800	66,275,100	115,689,200	95,805,000	117,104,700
BY FUND CATEGORY					
General	7,677,400	7,242,400	6,582,900	6,786,700	6,789,800
Dedicated	153,703,400	59,032,700	109,106,300	89,018,300	110,314,900
Total:	161,380,800	66,275,100	115,689,200	95,805,000	117,104,700
Percent Change:		(58.9%)	74.6%	(17.2%)	1.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	10,960,800	10,411,700	8,679,600	9,621,900	9,695,500
Operating Expenditures	21,272,800	15,941,300	20,247,100	25,783,600	27,317,700
Capital Outlay	129,147,200	39,922,100	86,762,500	60,399,500	80,091,500
Total:	161,380,800	66,275,100	115,689,200	95,805,000	117,104,700
Full-Time Positions (FTP)	140.00	140.00	113.00	125.00	125.00

Department Description

The Department of Administration provides a wide variety of centralized services to the rest of state government, including public works; purchasing; administrative rules coordination; life, health, and disability insurance to state employees; and property and casualty insurance for state agencies.

The Capitol Commission was initially responsible for the renovation of Idaho's State Capitol and grounds, and is now charged with overseeing its use and historic preservation.

The department's Bond Payments Program consolidates payment of the state's bonded indebtedness for the construction of buildings.

The Permanent Building Fund budget finances the maintenance and construction of state buildings, including those at the colleges and universities.

Department of Administration

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Management Services	1,026,900	858,200	1,349,200	1,228,300	1,211,100
Administrative Rules	417,700	373,500	446,600	453,600	446,200
Information Technology	4,433,300	4,078,200	0	0	0
Public Works	15,724,000	12,853,400	16,107,900	16,749,700	16,636,000
Purchasing	4,528,300	3,282,000	3,643,900	4,091,000	3,989,000
Insurance Management	1,792,600	1,570,800	2,150,600	1,989,700	1,932,900
Total:	27,922,800	23,016,100	23,698,200	24,512,300	24,215,200
BY FUND CATEGORY					
General	3,347,400	3,154,600	2,252,900	2,456,700	2,459,800
Dedicated	24,575,400	19,861,500	21,445,300	22,055,600	21,755,400
Total:	27,922,800	23,016,100	23,698,200	24,512,300	24,215,200
Percent Change:		(17.6%)	3.0%	3.4%	2.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	10,960,800	10,411,700	8,679,600	9,621,900	9,695,500
Operating Expenditures	15,626,600	12,193,400	14,753,900	14,890,400	14,519,700
Capital Outlay	1,335,400	411,000	264,700	0	0
Total:	27,922,800	23,016,100	23,698,200	24,512,300	24,215,200
Full-Time Positions (FTP)	140.00	140.00	113.00	125.00	125.00

Division Description

1) MANAGEMENT SERVICES: Provides administrative, fiscal, legal, and human resource services to the department.

2) ADMINISTRATIVE RULES: Structures, promulgates, and disseminates all administrative rules subject to the Idaho Administrative Procedure Act.

3) INFORMATION TECHNOLOGY: Operated the Idaho state network and technology security systems and coordinates internet, consolidated messaging, telephone, and data and video transmission services. It included the Idaho Technology Authority (ITA), which facilitated a centralized and coordinated approach to the design, procurement, and implementation of information technology and telecommunications systems for both state government and the public. These functions will no longer be provided by the department beginning July 1, 2018 as a result of H607 of 2018, which created the Office of Information Technology Services within the Office of the Governor to perform these tasks and others.

4) PUBLIC WORKS: Develops and oversees construction and renovation projects for state buildings, and manages leases for all state-leased office, retail, and warehouse space.

5) PURCHASING: Acquires property for all state agencies through the competitive bidding process, assists in the donation of surplus federal property to state and local governments and eligible non-profits, and provides mail and copy center services to most state agencies.

6) INSURANCE MANAGEMENT: Negotiates and administers medical, dental, life, and disability insurance programs for state employees, and provides property and casualty insurance services to state government via insurance and self-insurance.

Department of Administration

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	113.00	2,252,900	23,698,200	113.00	2,252,900	23,698,200
1. Chinden Campus	1.00	0	0	1.00	0	0
2. Project Management Software	0.00	0	181,000	0.00	0	181,000
3. Postal Increase	0.00	0	87,800	0.00	0	87,800
FY 2019 Total Appropriation	114.00	2,252,900	23,967,000	114.00	2,252,900	23,967,000
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	114.00	2,252,900	23,967,000	114.00	2,252,900	23,967,000
Removal of Onetime Expenditures	0.00	(100,000)	(376,800)	0.00	(100,000)	(376,800)
FY 2020 Base	114.00	2,152,900	23,590,200	114.00	2,152,900	23,590,200
Benefit Costs	0.00	1,500	16,500	0.00	(7,800)	(61,300)
Replacement Items	0.00	0	45,200	0.00	0	45,200
Statewide Cost Allocation	0.00	296,100	550,900	0.00	296,100	479,400
Change in Employee Compensation	0.00	6,200	74,700	0.00	18,600	222,900
FY 2020 Program Maintenance	114.00	2,456,700	24,277,500	114.00	2,459,800	24,276,400
1. Chinden Campus Maintenance Staffing	8.00	0	0	8.00	0	0
2. Contract Administration Personnel	3.00	0	234,800	3.00	0	235,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	10,500
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	45,800
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	(353,300)
FY 2020 Total	125.00	2,456,700	24,512,300	125.00	2,459,800	24,215,200
Change from Original Appropriation	12.00	203,800	814,100	12.00	206,900	517,000
% Change from Original Appropriation		9.0%	3.4%		9.2%	2.2%

Department of Administration

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	113.00	2,252,900	21,445,300	0	23,698,200
1. Chinden Campus					Public Works
The agency requests a transfer of \$158,500 from operating expenditures to personnel costs within the dedicated Administrative and Accounting Services Fund, and an additional 1.00 FTP. This request is to accommodate state personnel currently assigned to the Chinden Campus. Currently 2.00 FTP are stationed at the Chinden Campus, with one of those FTP being borrowed from Capitol Mall staff. The two positions are a facility services manager and a building superintendent. The State Tax Commission moved into temporary space in November 2018, and the agency asserts these positions will support tenants as more move into the Chinden Campus.					
Agency Request	1.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	1.00	0	0	0	0
2. Project Management Software					Public Works
The agency requests an additional \$181,000 ongoing from the dedicated Permanent Building Fund to pay a contractual obligation for project management software installed in FY 2018. In FY 2016, \$280,000 onetime from the Permanent Building Fund was appropriated for the installation of a construction project management system; there was no agency request or recommendation for ongoing costs associated with this project. The software was purchased, installed, and operational in FY 2018. There are 400 annual licenses associated with this software, for an annual cost of \$180,200. Users of this software include all design and construction employees at the Division of Public Works and external agencies, design professionals, contractors, and vendors who do business with the Division of Public Works for project management.					
Agency Request	0.00	0	181,000	0	181,000
Governor's Recommendation	0.00	0	181,000	0	181,000
3. Postal Increase					Purchasing
The agency requests \$80,700 ongoing and \$7,100 onetime from the dedicated Administration and Accounting Services Fund for Central Postal Services cost increases. In FY 2019, Central Postal Services began providing services for the Idaho Transportation Department and the Idaho State Tax Commission. The addition of these large agencies resulted in increased costs and the need for bigger equipment. The amount requested would be spent in the following ways: \$32,400 for meter ink and labels for the 2.2 million piece increase on metered mail and the 9,000 piece increase of packages; \$32,200 for inserter leasing charges to accommodate a new lease to replace an expiring lease, with a larger piece of equipment; \$7,100 onetime and \$1,900 ongoing for an upgraded shipment tracking system to reduce staff time related to tracking internal package delivery by automating the process; and \$14,200 for meter leasing charges related to entering into new leases for meters. The agency asserts that Central Postal Services allows the state to save money by servicing mail needs in-house. If not funded, Central Postal Services will be unable to provide the level and options of services it currently offers.					
Agency Request	0.00	0	87,800	0	87,800
Governor's Recommendation	0.00	0	87,800	0	87,800
FY 2019 Total Appropriation					
Agency Request	114.00	2,252,900	21,714,100	0	23,967,000
Governor's Recommendation	114.00	2,252,900	21,714,100	0	23,967,000

Department of Administration

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Noncognizable Funds and Transfers

This decision unit transfers 0.38 FTP within the Management Services Program from the Administration and Accounting Services Fund, with 0.19 FTP going to the Employee Group Insurance Fund and 0.19 FTP to the Retained Risk Fund, for a net change of zero.

This decision unit transfers \$50,000 within the Administration and Accounting Services Fund in personnel costs from the Management Services Program, with \$25,000 going to the Division of Public Works Program, and \$25,000 going to the Division of Purchasing Program, for a net change of zero.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Estimated Expenditures					
Agency Request	114.00	2,252,900	21,714,100	0	23,967,000
Governor's Recommendation	114.00	2,252,900	21,714,100	0	23,967,000

Removal of Onetime Expenditures

This decision unit removes the onetime appropriation for replacement items.

Agency Request	0.00	(100,000)	(276,800)	0	(376,800)
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Governor's Recommendation	0.00	(100,000)	(276,800)	0	(376,800)
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FY 2020 Base					
Agency Request	114.00	2,152,900	21,437,300	0	23,590,200
Governor's Recommendation	114.00	2,152,900	21,437,300	0	23,590,200

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	1,500	15,000	0	16,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(7,800)	(53,500)	0	(61,300)
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Replacement Items

Public Works, Purchasing

Public Works requests \$20,200 from the Permanent Building Fund to replace 11 desktop computers and two laptop computers.

Purchasing requests \$25,000 from the Administrative and Accounting Services Fund to replace 14 laptop computers, 14 docking stations, and 15 telephones.

Agency Request	0.00	0	45,200	0	45,200
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Governor's Recommendation	0.00	0	45,200	0	45,200
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Department of Administration

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$77,900, risk management costs will increase by \$145,600, State Controller fees will increase by \$4,600, State Treasurer fees will increase by \$1,000, and Technology Services billings will increase by \$71,500, for a net increase of \$300,600.					
This request also includes \$343,100, of which \$289,700 from the General Fund is for elected officials and \$53,400 is for the agency, for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.6% while elected officials increased an average of 9.7%.					
Agency Request	0.00	296,100	254,800	0	550,900
<i>The Governor recommends adjustments to the cost of Office of Information Technology Services support within technology modernization initiative.</i>					
Governor's Recommendation	0.00	296,100	183,300	0	479,400
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	6,200	68,500	0	74,700
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	18,600	204,300	0	222,900
FY 2020 Program Maintenance					
Agency Request	114.00	2,456,700	21,820,800	0	24,277,500
Governor's Recommendation	114.00	2,459,800	21,816,600	0	24,276,400
1. Chinden Campus Maintenance Staffing			Public Works		
The agency requests an additional 8.00 FTP and a net-zero transfer of \$477,200 from operating expenditures to personnel costs within the Administration and Accounting Services Fund to staff the Chinden Campus with maintenance staff. The eight positions would include: five senior maintenance craftsmen; two HVAC specialists; and one plumber. Currently, 2.00 FTP staff the Chinden Campus for the state. This request would fund the positions at 100% of policy. The recommended maintenance staff is one for every 47,000 rentable square feet; the Chinden Campus currently has 640,544 square feet of rentable space, excluding the amount rented by HP, Inc. This request will have one maintenance person per 71,171 rental square feet. In subsequent fiscal years, the agency will request 2.00 FTP for every building turned back to the state by current tenants.					
Agency Request	8.00	0	0	0	0
Governor's Recommendation	8.00	0	0	0	0
2. Contract Administration Personnel			Purchasing		
The Division of Purchasing requests \$234,800, of which \$221,900 is ongoing, from the Administration and Accounting Services Fund, and 3.00 FTP to create contract administrator positions. Currently, there are 14.00 FTP within the Division of Purchasing, of which no FTP are designated contract administrators. These additional positions would create a division of duties within the department, where 8.00 FTP focus on procurement and 3.00 FTP focus on administration of the contract over its life.					
Agency Request	3.00	0	234,800	0	234,800
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	3.00	0	235,800	0	235,800

Department of Administration

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	10,500	0	10,500
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	45,800	0	45,800
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	(353,300)	0	(353,300)
FY 2020 Total					
Agency Request	125.00	2,456,700	22,055,600	0	24,512,300
Governor's Recommendation	125.00	2,459,800	21,755,400	0	24,215,200
Agency Request					
Change from Original App	12.00	203,800	610,300	0	814,100
% Change from Original App	10.6%	9.0%	2.8%		3.4%
Governor's Recommendation					
Change from Original App	12.00	206,900	310,100	0	517,000
% Change from Original App	10.6%	9.2%	1.4%		2.2%

Capitol Commission

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	2,484,000	435,300	2,342,000	2,342,000	2,342,000
Percent Change:		(82.5%)	438.0%	0.0%	0.0%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	284,000	253,600	142,000	142,000	142,000
Capital Outlay	2,200,000	181,700	2,200,000	2,200,000	2,200,000
Total:	2,484,000	435,300	2,342,000	2,342,000	2,342,000

Division Description

The nine-member Idaho State Capitol Commission was created by the Legislature during the 1998 session and was charged with, among other things, developing a master plan for the restoration and refurbishment of the Capitol. On January 9, 2010, the newly restored Capitol Building was rededicated.

As of Fall 2018, appointees include Andrew Erstad, Mary Symms-Pollot, Senator Chuck Winder, Nancy Sue Wallace, Representative Neil Anderson, and Marilyn Whitney.

Ex-officio voting members include the Director of the Legislative Services Office (Eric Milstead), the Director of the Idaho State Historical Society (Janet Gallimore), and the Director of the Department of Administration (Bryan Mooney), who also serves as commission secretary. Statute requires the commission to meet at least twice per year.

The 2005 Legislature funded the Capitol restoration and expansion project with H386, which made permanent a cigarette tax increase of 57 cents per pack and distributed funds to the Permanent Building Fund for the repair, remodel, and restoration of the Capitol, and related Capitol Mall improvements.

In 2006, the Legislature approved HCR 47 which authorized financing for the Capitol restoration and expansion, including the construction of two-story atrium wings at the east and west ends of the Capitol, of approximately 50,000 square feet each. In the fall of that same year, \$130 million in bonds were issued (pursuant to HCR 47) through the Idaho State Building Authority.

Work on the project commenced in the fall of 2006 and continued until a stop-work order was issued by Governor Otter on January 12, 2007. Negotiations on the overall scope of the project ensued between the Legislature and the Governor. In the final compromise, which was codified in H218 of 2007, the Capitol Master Plan was modified to include the restoration of the Capitol, the construction of single-story atrium wings (25,000 square feet each, scaled back from the original two-story 50,000 square foot wings) at the east and west ends of the Capitol, and a reconfiguration of space in the Capitol that assigned control of the first floor to the Legislature. After approximately two and one-half years of construction, the Capitol was re-opened. The following reflects how the total cost was apportioned: Capitol restoration for \$82.5 million; Capitol expansion (underground wings) for \$37.1 million; and furnishings and equipment for \$3.4 million; for a total of \$123 million.

The debt service scheduled on the bonds called for seven years of annual payments of approximately \$20.1 million, paid from cigarette tax revenues. Of the cigarette tax revenue deposited in the Permanent Building Fund, a portion was statutorily earmarked for Capitol restoration and related efforts. The bond for the renovation was paid off in FY 2015.

The commission's charge now is to oversee the preservation and use of the Capitol. Ongoing funding for maintenance of the Capitol is provided from endowment land funds and investments.

Capitol Commission

Agency Profile

Analyst: Randolph

Source of Funds	FY 2018 Expenditures	FY 2019 Appropriation	FY 2020 Budget Request	FY 2020 Estimated Total Cash Available for the Year
1. Commission Operating Fund 0481-09	\$ 253,600	\$ 142,000	\$ 142,000	\$295,800

Receives moneys from: 1) transfers from the Capitol Permanent Endowment Fund based on the Capitol Commission's approval, 2) all interest earned on the Capitol Commission Operating Fund, and 3) all other proceeds either public or private, as approved by the Legislature. All moneys shall be appropriated exclusively for the purposes of supporting the operation, activities, and projects of the Capitol Commission, retained for future appropriation, or transferred to the Capitol Permanent Endowment Fund by legislative appropriation (Section 67-1611, Idaho Code). Funds are used to pay the general operating expenses of the Capitol Commission, including administrative support that is provided by the Department of Administration. All expenditures from this fund are subject to appropriation by the Legislature.

2. Capitol Maintenance Reserve Fund 0482-79	\$ 181,700	\$ 2,200,000	\$2,200,000	\$10,186,200
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Ongoing funding and maintenance for the State Capitol Building and its grounds is paid for from Capitol endowment lands and investments that are deposited into a permanent fund called the Capitol Permanent Endowment Income Fund (permanent endowment). This fund receives income from endowment lands within the state. Each year, the Endowment Fund Investment Board (EFIB) distributes earnings from the permanent endowment to the Capitol Maintenance Reserve Fund per Capitol Commission guidance, but generally at an annual rate of 5% of the three-year average value of the permanent endowment, as recommended by the EFIB. Then, funds are appropriated and transferred from the Capitol Maintenance Reserve Fund to the Capitol Commission Operating Fund, as approved by the Legislature. All moneys in this fund shall be used exclusively by the Capitol Commission to address repairs, maintenance, and construction needs approved by the commission to benefit the Capitol and its grounds; provided that moneys from the fund shall also be used to pay for administrative costs incurred managing the assets of the capitol permanent endowment including, but not limited to, real property and monetary assets. All expenditures from this fund are subject to appropriation by the Legislature (Section 67-161A, Idaho Code).

3. Capitol Endowment Income Fund (Permanent Endowment) 0526-10	N/A	N/A	N/A	\$31,950,100
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Accrues moneys derived from 7,200 acres of land, over 90% of which is forested, from proceeds and interest from the sale of land, sale of timber, mineral royalties, and land rentals, all of which are collected and deposited to this fund by the Department of Lands (Sections 67-161a and 67-1611, Idaho Code). The Capitol Endowment Income Fund is managed by the Endowment Fund Investment Board (EFIB).

Grand Total	\$ 435,300	\$ 2,342,000	\$2,342,000	\$42,432,100
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Capitol Commission

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	0	2,342,000	0.00	0	2,342,000
FY 2020 Base	0.00	0	2,342,000	0.00	0	2,342,000
FY 2020 Total	0.00	0	2,342,000	0.00	0	2,342,000
Change from Original Appropriation	0.00	0	0	0.00	0	0
% Change from Original Appropriation			0.0%			0.0%

Capitol Commission

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	0	2,342,000	0	2,342,000
FY 2020 Base					
Agency Request	0.00	0	2,342,000	0	2,342,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,342,000</i>	<i>0</i>	<i>2,342,000</i>
FY 2020 Total					
Agency Request	0.00	0	2,342,000	0	2,342,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,342,000</i>	<i>0</i>	<i>2,342,000</i>
Agency Request					
Change from Original App	0.00	0	0	0	0
% Change from Original App			0.0%		0.0%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>% Change from Original App</i>			<i>0.0%</i>		<i>0.0%</i>

Bond Payments

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	4,330,000	4,087,800	4,330,000	4,330,000	4,330,000
Dedicated	7,973,000	7,321,500	7,547,000	15,847,000	15,847,000
Total:	12,303,000	11,409,300	11,877,000	20,177,000	20,177,000
Percent Change:		(7.3%)	4.1%	69.9%	69.9%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	5,362,200	3,494,300	5,351,200	10,751,200	10,751,200
Capital Outlay	6,940,800	7,915,000	6,525,800	9,425,800	9,425,800
Total:	12,303,000	11,409,300	11,877,000	20,177,000	20,177,000

Division Description

The Department of Administration's Bond Payments Program consolidates payment of the state's bonded indebtedness for the construction of buildings. There are 13 buildings paid for with bond funding in the state's portfolio, including: Prison Complex (Idaho State Correctional Center); Department of Parks and Recreation headquarters; Idaho School and Hospital; Idaho State University Rendezvous Center; College of Western Idaho (formerly Boise State University Academic West); University of Idaho Learning Center; Lewis-Clark State College Activity Center; North Idaho College Health Building; College of Southern Idaho Fine Arts Building; Idaho State Police Post Academy; College of Eastern Idaho (formerly Eastern Idaho Technical College); Capitol Mall Parking Garage Number II; and the Idaho State Chinden Campus.

Bond Payments Agency Profile

Analyst: Randolph

Estimated Debt Service on Bond Indebtedness							
Original Issue	Project Name	Original Principal	Current Interest Rate	Estimated Principal at Year End FY 2019	Maturity Date	Fund Source	Estimated FY 2020 Payment
1999**	Prison Complex (ISCC)	53,130,000	4.29%	28,035,000	FY 2026	0001	4,234,700
2002**	Park HQ (formerly Billingsley Creek)	4,040,000	1.89%	1,170,000	FY 2022	0365	538,000
2002*	Idaho School & Hospital	9,325,000	4.62%	3,255,000	FY 2024	0450	651,600
2003*	ISU Rendezvous	12,730,000	4.18%	4,400,000	FY 2024	0365	931,200
2003*	College of Western Idaho	9,180,000	4.55%	2,880,000	FY 2024	0365	660,900
2003*	UI Learning Center	12,440,000	4.55%	3,880,000	FY 2024	0365	891,900
2003*	LCSC Activity Center	10,625,000	4.55%	3,320,000	FY 2024	0365	766,400
2003*	NIC Health Bldg.	11,665,000	4.55%	3,660,000	FY 2024	0365	837,700
2003*	CSI Fine Arts Bldg.	5,730,000	4.55%	1,785,000	FY 2024	0365	406,300
2003*	ISP Post Academy	2,425,000	4.56%	760,000	FY 2024	0365	173,800
2005*	East. ID Comm. College	10,790,000	3.53%	5,215,000	FY 2026	0365	796,000
2013	Parking Garage	9,045,000	3.51%	7,315,000	FY 2034	0365	642,700
2017	Chinden Campus	144,550,000	2.05%	144,550,000	FY 2049	0365	8,181,800
		\$295,675,000		\$210,225,000		TOTAL	\$19,713,000

Indebtedness By Fund Source	
Permanent Building Fund (Fund 0365)	\$6,644,900
General Fund (Fund 0001)	\$4,234,700
Administration & Accounting Services Fund (Fund 0450)	\$651,600
TOTAL	\$11,531,200

Notes
<p>The difference between the estimated payment amount of \$19,713,000 and the budget request of \$20,177,000 amounts to \$464,000 and is because the FY 2020 payments are estimates only and fluctuate depending on exactly when the bonds are issued and at what interest rate they are issued. Most of the bonds have a fixed interest rate, but if a bond has a variable interest rate, such as in the case of the Prison Complex (Idaho State Correctional Center), for example, the exact amount of the payment due is only an estimate at this time.</p> <p>* Projects included in a series of nine bonds that were refinanced in FY 2013 to attain better interest rates. This will save an average of \$222,000 per year until the bonds mature in FY 2024. The maturity dates on the bonds remained the same. This was a total present value savings in FY 2013 of approximately \$2.6 million.</p> <p>** Formerly, the Prison Complex bond was paid with a combination of the Permanent Building Fund and the General Fund. The Billingsley Creek bond was formerly paid with the General Fund, but was switched to the Permanent Building Fund in FY 2013 in conjunction with the refinancing of, and shift to, the Park Headquarters.</p>

Bond Payments

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	4,330,000	11,877,000	0.00	4,330,000	11,877,000
FY 2020 Base	0.00	4,330,000	11,877,000	0.00	4,330,000	11,877,000
1. Chinden Campus ISBA Payment	0.00	0	8,300,000	0.00	0	8,300,000
FY 2020 Total	0.00	4,330,000	20,177,000	0.00	4,330,000	20,177,000
Change from Original Appropriation	0.00	0	8,300,000	0.00	0	8,300,000
% Change from Original Appropriation		0.0%	69.9%		0.0%	69.9%

Bond Payments

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	4,330,000	7,547,000	0	11,877,000
FY 2020 Base					
Agency Request	0.00	4,330,000	7,547,000	0	11,877,000
Governor's Recommendation	0.00	4,330,000	7,547,000	0	11,877,000
1. Chinden Campus ISBA Payment					
The department requests \$8,300,000 from the Permanent Building Fund to pay the annual debt service to the Idaho State Building Authority (ISBA) for the Chinden Campus. Rental income from private tenants and state agencies is expected to be sufficient to cover the debt service.					
Agency Request	0.00	0	8,300,000	0	8,300,000
Governor's Recommendation	0.00	0	8,300,000	0	8,300,000
FY 2020 Total					
Agency Request	0.00	4,330,000	15,847,000	0	20,177,000
Governor's Recommendation	0.00	4,330,000	15,847,000	0	20,177,000
Agency Request					
Change from Original App	0.00	0	8,300,000	0	8,300,000
% Change from Original App		0.0%	110.0%		69.9%
Governor's Recommendation					
Change from Original App	0.00	0	8,300,000	0	8,300,000
% Change from Original App		0.0%	110.0%		69.9%

Permanent Building Fund

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	118,671,000	31,414,400	77,772,000	48,773,700	70,370,500
Percent Change:		(73.5%)	147.6%	(37.3%)	(9.5%)
BY OBJECT OF EXPENDITURE					
Operating Expenditures	0	0	0	0	1,904,800
Capital Outlay	118,671,000	31,414,400	77,772,000	48,773,700	68,465,700
Total:	118,671,000	31,414,400	77,772,000	48,773,700	70,370,500

Division Description

The Permanent Building Fund budget includes construction and maintenance costs for state buildings, including those at the college, universities, and community colleges, funded from the Permanent Building Fund. The process is under the direction of the Permanent Building Fund Advisory Council (PBFAC), which is appointed by, and serves at the pleasure of, the Governor. The council is composed of a member from the Senate (currently Senator Steve Vick), a member from the House of Representatives (currently Representative Robert Anderst), a contractor, a banker, and a person from the business community. Throughout the year, the council reviews and approves all planning, design, and construction of state public works projects.

Seven statutory sources of revenue are dedicated to the Permanent Building Fund:

- 1) Every person and corporation required to file a tax return pays a tax of ten dollars (Section 63-3082, Idaho Code), which is credited to the Permanent Building Fund (Section 57-1110, Idaho Code).
- 2) Five million dollars per year is continuously appropriated and set aside from the Sales Tax Fund to the Permanent Building Fund (Section 63-3638, Idaho Code).
- 3) Five million dollars per year of cigarette tax revenue (Section 63-2520, Idaho Code).
- 4) Proceeds from the beer tax collected under Section 23-1008, Idaho Code. Beer is taxed at \$4.65 per barrel of 31 gallons, and a like rate for any other quantity or fraction thereof, is levied and imposed upon each and every barrel of beer sold for use within Idaho. Thirty-three percent (33%) of the proceeds are deposited to the Permanent Building Fund.
- 5) Three-eighths of state lottery earnings are distributed to the Permanent Building Fund (Section 67-7434, Idaho Code). The Lottery's net income has historically been split equally between the Permanent Building Fund and the School District Building Fund. In 2009, H275 provided that, beginning on July 1, 2009, so long as transfers to the Permanent Building Fund and the School District Building Fund reach FY 2008 levels or \$17,000,000 for each fund, transfers of net income to the Permanent Building Fund and School District Building Fund shall decrease to three-eighths each, and the remaining one-fourth of net lottery income shall transfer to the Bond Levy Equalization Fund. H478 of 2014 extended the sunset of the original legislation to July 1, 2019 (the legislation was originally set to expire September 30, 2014), and S1206 of 2017 made the distribution permanent. Since its inception in 1989, the lottery has distributed more than \$700 million in dividends to the Permanent Building Fund and School District Building Fund.
- 6) Interest earnings are retained by the fund and invested by the State Treasurer (Section 57-1108, Idaho Code).
- 7) Interest earnings from the Budget Stabilization Fund are credited to the Permanent Building Fund (Section 57-814(1), Idaho Code).

Permanent Building Fund

Agency Profile

Analyst: Randolph

FY 2020 Permanent Building Fund (PBF) Comparison

FY 2020 REVENUE ESTIMATES:

FY 2019 Beginning Balance	\$	7,910,800	\$	7,910,800
Income Tax Filing Fee (\$10 head tax)	\$	8,171,200	\$	8,171,200
Cigarette Tax (fixed amount)	\$	5,000,000	\$	5,000,000
Beer Tax (33% of net collections)	\$	1,421,800	\$	1,421,800
Sales Tax (fixed amount)	\$	5,000,000	\$	5,000,000
Lottery Dividends	\$	20,437,500	\$	20,437,500
Capitol Mall Parking Receipts	\$	260,000	\$	260,000
Chinden Campus Rents	\$	9,300,000	\$	9,300,000
Budget Stabilization Fund and Other Interest	\$	11,184,000	\$	11,184,000
TOTAL FUNDS AVAILABLE for FY 2020	\$	68,685,300	\$	68,685,300

Requests

Governor's Rec

EXPENDITURES:

Dept of Administration Operating Budget:

Public Works Operating Budget	\$	2,903,200	\$	2,782,600
Management Service Program Costs	\$	143,200	\$	144,100
Bond Payments	\$	15,174,000	\$	15,174,000
Public Officials' Capitol Mall Facilities Transfer	\$	1,737,500	\$	1,737,500
Sub-total Admin Operating Budget	\$	19,957,900	\$	19,838,200

Alteration & Repair Projects, plus Capital Projects:

Statewide Alteration and Repair Projects	\$	35,883,700	\$	35,975,700
Asbestos Abatement	\$	500,000	\$	500,000
ADA Compliance	\$	1,300,000	\$	1,300,000
Capitol Mall Maintenance	\$	260,000	\$	260,000
Chinden Campus Maintenance	\$	1,000,000	\$	1,000,000
Dept. of Ag Pathology Lab	\$	8,000,000	\$	8,000,000
Division of Military Twin Falls Readiness Center Utilities	\$	1,200,000	\$	1,200,000
Public Safety Mica Peak Comm. Site	\$	630,000	\$	630,000
IDOC Wastewater Lagoon Repair	\$	-	\$	1,904,800
IDOC North Idaho Reentry Center	\$	-	\$	12,200,000
IDOC St. Anthony Facility Expansion	\$	-	\$	7,400,000
All Other Agency Project Requests	\$	182,439,500	\$	-
Sub-total Funding Requests	\$	231,213,200	\$	70,370,500

ESTIMATED ENDING BALANCE \$ (182,485,800) \$ (21,523,400)

The Governor's Recommendation includes a General Fund cash transfer for additional projects, including: IDOC wastewater lagoon repair for \$1,904,800; IDOC north Idaho reentry center for \$12,200,000; and IDOC St. Anthony facility expansion for \$7,400,000.

\$ 21,504,800

ESTIMATED ENDING BALANCE AFTER CASH TRANSFERS \$ (18,600)

Permanent Building Fund

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	0	77,772,000	0.00	0	77,772,000
Reappropriation	0.00	0	87,256,600	0.00	0	87,256,600
1. ISU Eames Complex	0.00	0	0	0.00	0	0
FY 2019 Total Appropriation	0.00	0	165,028,600	0.00	0	165,028,600
Removal of Onetime Expenditures	0.00	0	(165,028,600)	0.00	0	(165,028,600)
FY 2020 Base	0.00	0	0	0.00	0	0
Replacement Items	0.00	0	38,943,700	0.00	0	39,035,700
FY 2020 Program Maintenance	0.00	0	38,943,700	0.00	0	39,035,700
1. Dept. of Ag Pathology Lab	0.00	0	8,000,000	0.00	0	8,000,000
2. Division of Military TFRC Site Utilities	0.00	0	1,200,000	0.00	0	1,200,000
3. Public Safety Mica Peak Comm. Site	0.00	0	630,000	0.00	0	630,000
4. DOC Wastewater Lagoon Repair	0.00	0	0	0.00	0	1,904,800
5. DOC North Idaho Reentry Center	0.00	0	0	0.00	0	12,200,000
6. DOC St Anthony Facility Expansion	0.00	0	0	0.00	0	7,400,000
7. General Fund for Capital Projects	0.00	0	0	0.00	21,504,800	21,504,800
Cash Transfers	0.00	0	0	0.00	(21,504,800)	(21,504,800)
FY 2020 Total	0.00	0	48,773,700	0.00	0	70,370,500
Change from Original Appropriation	0.00	0	(28,998,300)	0.00	0	(7,401,500)
% Change from Original Appropriation			(37.3%)			(9.5%)

Permanent Building Fund

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	0	77,772,000	0	77,772,000

Reappropriation

The council was authorized to reappropriate or carryover its unencumbered and unspent appropriation from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	0	87,256,600	0	87,256,600
Governor's Recommendation	0.00	0	87,256,600	0	87,256,600

1. ISU Eames Complex

Agency Request	0.00	0	0	0	0
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The Governor recommends changing appropriation bill language to redirect \$10,000,000 appropriated for the Gale Life Sciences Building to the Eames Complex at the Idaho State University campus in Pocatello.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Total Appropriation					
Agency Request	0.00	0	165,028,600	0	165,028,600
Governor's Recommendation	0.00	0	165,028,600	0	165,028,600

Removal of Onetime Expenditures

This decision unit removes the FY 2019 original appropriation and reappropriation to get to an FY 2020 Base of zero.

Agency Request	0.00	0	(165,028,600)	0	(165,028,600)
Governor's Recommendation	0.00	0	(165,028,600)	0	(165,028,600)

FY 2020 Base					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

Replacement Items

The Permanent Building Fund Advisory Council requests the following from the Permanent Building Fund: \$35,883,700 for statewide building alteration and repair projects, \$1,300,000 for Americans with Disabilities Act (ADA) projects, \$500,000 for asbestos projects, and \$260,000 to spend Capitol Mall parking receipts.

Agency Request	0.00	0	38,943,700	0	38,943,700
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The Governor recommends an additional \$92,000 for statewide building alternation and repair projects.

Governor's Recommendation	0.00	0	39,035,700	0	39,035,700
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FY 2020 Program Maintenance					
Agency Request	0.00	0	38,943,700	0	38,943,700
Governor's Recommendation	0.00	0	39,035,700	0	39,035,700

1. Dept. of Ag Pathology Lab

The Permanent Building Fund Advisory Council requests \$8,000,000 from the Permanent Building Fund to construct a new lab building to house the Idaho State Department of Agriculture (ISDA) animal health lab, plant pathology lab, and dairy lab. The lab will replace an existing laboratory which occupies one floor at the Department of Health and Welfare building on Old Penitentiary Road. According to the agency, the existing lab does not accommodate the growth experienced by the lab, does not meet current lab standards, and is antiquated and in need of major renovation. The new building will allow the lab to accommodate expanded services and keep up with Idaho's regulatory and diagnostic testing needs. The lab will be built on land owned by the state adjacent to the ISDA Boise office on Old Penitentiary Road.

Agency Request	0.00	0	8,000,000	0	8,000,000
Governor's Recommendation	0.00	0	8,000,000	0	8,000,000

Permanent Building Fund

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Division of Military TFRC Site Utilities					
The Permanent Building Fund Advisory Council requests \$1,200,000 from the Permanent Building Fund to install electric, gas, data, water, and sewer utilities at the future Twin Falls Readiness Center (TFRC). The Idaho National Guard was approved for a readiness center project for 2022, and federal military construction projects require utilities to be located in the site vicinity prior to construction. This site will support 200 military personnel at peak occupancy.					
Agency Request	0.00	0	1,200,000	0	1,200,000
Governor's Recommendation	0.00	0	1,200,000	0	1,200,000
3. Public Safety Mica Peak Comm. Site					
The council requests \$630,000 from the Permanent Building Fund to replace and upgrade the building and communication tower at the Mica Peak communications site near Coeur d'Alene. The existing tower and building are at capacity, and the tower does not meet industry standards for communication towers. This project will enhance safeguarding and maintaining communications equipment for the Idaho Military Division, Idaho State Police, Idaho Department of Health and Welfare, and Idaho Transportation Department.					
Agency Request	0.00	0	630,000	0	630,000
Governor's Recommendation	0.00	0	630,000	0	630,000
4. DOC Wastewater Lagoon Repair					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$1,904,800 from the Permanent Building Fund to make repairs to the wastewater lagoons that support the Idaho State Correctional Center and the Treasure Valley Community Release Center. These repairs need to be completed to be compliant with an agreement between the Idaho Department of Correction and the Department of Environmental Quality. The repairs consist of hiring a qualified vendor to perform engineering and contract services to make repairs to the earthen dam and replace the lagoon liner.</i>					
Governor's Recommendation	0.00	0	1,904,800	0	1,904,800
5. DOC North Idaho Reentry Center					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$12,200,000 from the Permanent Building Fund for a community reentry center in northern Idaho. This 120-bed minimum-security correctional facility would provide additional housing for a growing offender population while preparing offenders for a positive reentry into the community. The expected ongoing costs associated with operating the new facility are anticipated to be approximately \$2.2 million annually, to be requested by the Department of Correction in a future budget request.</i>					
Governor's Recommendation	0.00	0	12,200,000	0	12,200,000
6. DOC St Anthony Facility Expansion					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends \$7,400,000 from the Permanent Building Fund for a 100-bed expansion of the St. Anthony Work Camp. The St. Anthony Work Camp currently has a 276-bed capacity and provides low-risk, minimum-security inmates vocational work project opportunities. The expansion will provide additional housing for a growing offender population and will provide offenders paid work experience through contracted work and public service projects with government agencies, non-profit organizations, and private employers. The expected ongoing costs associated with operating the new facility are anticipated to be approximately \$2.2 million annually, to be requested by the Department of Correction in a future budget request.</i>					
Governor's Recommendation	0.00	0	7,400,000	0	7,400,000

Permanent Building Fund

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
7. General Fund for Capital Projects					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends transferring and appropriating a total of \$21,504,800 from the General Fund into the Permanent Building Fund. This is the General Fund appropriation of the Governor's recommendation for the following projects:</i>					
<i>1. Idaho Department of Correction Wastewater Lagoon Repair (\$1,904,800 in line item 4);</i>					
<i>2. Idaho Department of Correction North Idaho Reentry Center (\$12,200,000 in line item 5); and</i>					
<i>3. Idaho Department of Correction St. Anthony Facility Expansion (\$7,400,000 in line item 6).</i>					
Governor's Recommendation	0.00	21,504,800	0	0	21,504,800
Cash Transfers					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends transferring a total of \$21,504,800 from the General Fund into the Permanent Building Fund. This is the cash transfer portion of the Governor's recommendation for the following projects:</i>					
<i>1. Idaho Department of Correction Wastewater Lagoon Repair (\$1,904,800 in line item 4);</i>					
<i>2. Idaho Department of Correction North Idaho Reentry Center (\$12,200,000 in line item 5); and</i>					
<i>3. Idaho Department of Correction St. Anthony Facility Expansion (\$7,400,000 in line item 6).</i>					
Governor's Recommendation	0.00	(21,504,800)	0	0	(21,504,800)
FY 2020 Total					
Agency Request	0.00	0	48,773,700	0	48,773,700
Governor's Recommendation	0.00	0	70,370,500	0	70,370,500
Agency Request					
Change from Original App	0.00	0	(28,998,300)	0	(28,998,300)
% Change from Original App			(37.3%)		(37.3%)
Governor's Recommendation					
Change from Original App	0.00	0	(7,401,500)	0	(7,401,500)
% Change from Original App			(9.5%)		(9.5%)

Attorney General

Analyst: Hoskins

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
State Legal Services	22,137,600	21,774,100	22,478,400	23,331,400	23,428,700
Internet Crimes Against Children	1,686,100	1,571,100	1,949,500	2,019,900	2,028,800
Special Litigation	890,700	790,700	890,700	890,700	890,700
Total:	24,714,400	24,135,900	25,318,600	26,242,000	26,348,200
BY FUND CATEGORY					
General	23,135,800	22,915,600	23,639,800	24,165,300	24,177,900
Dedicated	404,300	330,800	509,400	901,900	985,900
Federal	1,174,300	889,500	1,169,400	1,174,800	1,184,400
Total:	24,714,400	24,135,900	25,318,600	26,242,000	26,348,200
Percent Change:		(2.3%)	4.9%	3.6%	4.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	21,306,300	21,169,400	21,784,000	22,562,000	22,710,700
Operating Expenditures	2,449,100	1,869,800	2,452,500	2,566,000	2,584,000
Capital Outlay	266,900	462,500	293,400	325,300	264,800
Trustee/Benefit	692,100	634,200	788,700	788,700	788,700
Total:	24,714,400	24,135,900	25,318,600	26,242,000	26,348,200
Full-Time Positions (FTP)	208.60	208.60	210.60	216.10	215.10

Department Description

The Office of the Attorney General has three budgeted programs:

A) State Legal Services: As the state's chief legal officer, the Attorney General meets his or her constitutional and statutory responsibilities through the efforts of seven divisions within this program, including:

1. The Civil Litigation Division provides centralized representation in significant cases on behalf of the state's constitutional officers and any state agency or department. The division defends the state in tort claims, contract actions, employment claims, and actions brought against the judiciary and the Legislature.
2. The Consumer Protection Division enforces Idaho's consumer protection, telephone solicitation, charitable solicitation, and pay-per-telephone call statutes. The division also enforces and defends the state's Master Settlement Agreement with the tobacco industry.
3. The Contracts and Administrative Law Division provides legal services and centralized support for all state agencies in contract matters, including the negotiation, drafting, review, and monitoring of contracts. It also manages outside legal service contracts and provides administrative legal counsel to many state agencies, boards, commissions, and entities.
4. The Criminal Law Division represents the state in criminal appeals before the Idaho Supreme Court, the Idaho Court of Appeals, and in death penalty appeals in state or federal court. It also prosecutes Medicaid fraud within the state and provides prosecutorial and investigative assistance to counties statewide.
5. The Natural Resources Division provides advice and assistance to state officials on natural resource issues and environmental law.
6. The Health and Human Services Division provides legal representation to the Department of Health and Welfare, including the director, the Board of Health and Welfare, and the department's eight divisions.
7. The Administration and Budget Division is responsible for providing support services to the Office of the Attorney General, including payroll, accounts payable/receivable, budget, and computer and communication services.

B) Internet Crimes Against Children: Partnering with local law enforcement entities, this program is responsible for the investigation and prosecution of offenders who use the internet, online systems, computer technology, cellular phones, smart phones, or mobile devices to sexually exploit children.

C) Special Litigation: The General Fund is used to retain private legal representation or consultants for extraordinary and/or unanticipated litigation when special expertise is needed, or when there is an ethical conflict of interest between governmental entities.

Attorney General

Comparative Summary

Analyst: Hoskins

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	210.60	23,639,800	25,318,600	210.60	23,639,800	25,318,600
Removal of Onetime Expenditures	0.00	(351,300)	(365,700)	0.00	(351,300)	(365,700)
FY 2020 Base	210.60	23,288,500	24,952,900	210.60	23,288,500	24,952,900
Benefit Costs	0.00	86,800	91,200	0.00	(36,800)	(40,500)
Replacement Items	0.00	318,900	322,200	0.00	258,400	261,700
Statewide Cost Allocation	0.00	(1,500)	(1,500)	0.00	(1,500)	(1,500)
Annualizations	0.00	6,100	6,100	0.00	6,100	6,100
Change in Employee Compensation	0.00	183,500	193,600	0.00	549,700	580,000
FY 2020 Program Maintenance	210.60	23,882,300	25,564,500	210.60	24,064,400	25,758,700
1. E-Discovery Software	0.00	73,200	73,200	0.00	73,200	73,200
2. Deputy AG – Dept of Water Resources	1.00	103,900	103,900	0.00	0	0
3. Data Backup (Storage)	0.00	65,000	65,000	0.00	0	65,000
4. Consumer Specialist	1.00	0	73,500	1.00	0	72,800
5. Administrative Asst Increase in Hours	0.50	27,100	27,100	0.50	26,500	26,500
6. Criminal Disability Investigations Unit	3.00	13,800	334,800	3.00	13,800	332,900
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	19,100
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	216.10	24,165,300	26,242,000	215.10	24,177,900	26,348,200
Change from Original Appropriation	5.50	525,500	923,400	4.50	538,100	1,029,600
% Change from Original Appropriation		2.2%	3.6%		2.3%	4.1%

Attorney General

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	210.60	23,639,800	509,400	1,169,400	25,318,600

Removal of Onetime Expenditures

This adjustment removes amounts appropriated in FY 2019 for replacement items and onetime portions of line items.

Agency Request	0.00	(351,300)	(6,200)	(8,200)	(365,700)
Governor's Recommendation	0.00	(351,300)	(6,200)	(8,200)	(365,700)

FY 2020 Base					
Agency Request	210.60	23,288,500	503,200	1,161,200	24,952,900
Governor's Recommendation	210.60	23,288,500	503,200	1,161,200	24,952,900

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	86,800	1,300	3,100	91,200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(36,800)	(2,000)	(1,700)	(40,500)
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Replacement Items

Requested replacement items include \$102,300 for computer equipment; \$20,000 for firewalls; \$8,000 for a photocopier; \$10,000 for two portable air conditioning units; \$68,000 for servers; \$75,500 for software and licensing; and \$38,400 for an SUV. Of the total amount requested, \$318,900 is from the General Fund and \$3,300 is from the Federal Grant Fund.

Agency Request	0.00	318,900	0	3,300	322,200
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The Governor does not recommend \$38,400 for an SUV; \$12,100 for computer equipment; or \$10,000 for portable AC units.

Governor's Recommendation	0.00	258,400	0	3,300	261,700
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will decrease by \$6,600, State Controller fees will increase by \$5,000, and State Treasurer fees will increase by \$100, for a net reduction of \$1,500.

Agency Request	0.00	(1,500)	0	0	(1,500)
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Governor's Recommendation	0.00	(1,500)	0	0	(1,500)
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Annualizations

Personnel costs in the amount of \$6,100 from the General Fund are requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The Attorney General's pay increased on January 1, 2019, by 8.1%, from \$124,000 to \$134,000 annually, and this adjustment funds the increase from July 1, 2019, through December 31, 2019.

Agency Request	0.00	6,100	0	0	6,100
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Governor's Recommendation	0.00	6,100	0	0	6,100
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	183,500	2,900	7,200	193,600
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	549,700	8,700	21,600	580,000
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Attorney General

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	210.60	23,882,300	507,400	1,174,800	25,564,500
<i>Governor's Recommendation</i>	<i>210.60</i>	<i>24,064,400</i>	<i>509,900</i>	<i>1,184,400</i>	<i>25,758,700</i>

1. E-Discovery Software

State Legal Services

The Attorney General requests \$73,200 in ongoing operating expenditures from the General Fund for an E-discovery software subscription to improve legal staff's control over data. E-discovery is the process of identifying, preserving, collecting, processing, and producing electronic information for use in investigations or litigation. According to the agency, it currently uses case management software that is not designed for document review, which requires a cumbersome process for importing and exporting data. The agency believes its current process does not produce consistent results, and requires manual assistance from IT staff to locate and organize data sets for review. The requested software would have the ability to upload data and process discovery automatically. The capabilities include processing image files, extracting metadata, and generating optical character recognition text that is searchable.

Agency Request	0.00	73,200	0	0	73,200
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>73,200</i>	<i>0</i>	<i>0</i>	<i>73,200</i>

2. Deputy AG – Dept of Water Resources

State Legal Services

This request is for 1.00 FTP and \$103,900 ongoing from the General Fund to hire a deputy attorney general (DAG) to assist the Department of Water Resources. Of the total amount requested, \$102,800 is in personnel costs for salary and benefits, and \$1,100 is in operating expenditures for Idaho State Bar dues and access to legal research services. According to the agency, the four DAGs and one paralegal currently assigned to the department are insufficient to meet the current workload, which includes the North Idaho Adjudication, the Mountain Force Air Force Base Water Sustainability Project, stream channel alteration and permitting enforcement, Eastern Snake River Plain ground water management, Snake River Basin adjudication (deferred or late claims), and contested cases concerning water rights, etc. Further, the agency believes this workload will only increase due to passage of H718 of 2018, which requires the director to issue an order to show cause as to why all decreed federal stock water rights based on beneficial use should not be forfeited.

Agency Request	1.00	103,900	0	0	103,900
<i>Not recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

3. Data Backup (Storage)

State Legal Services

The agency requests \$65,000 onetime from the General Fund for a disaster recovery system to store a complete copy of its backup data. Of the total amount requested, \$5,400 is in operating expenditures for software and licensing, and \$59,600 is in capital outlay for servers and storage. This line item has not been requested by the agency before. According to the agency, its current backup system can no longer accommodate disaster recovery for a network of its size. The new system would permit the creation and housing of a complete copy of the agency's backup data. It would host primary network services and would be capable of efficiently restoring data and network functionality in the event of a major data loss. The project would be managed by the agency's own IT manager, and could be fully implemented and installed prior to the end of CY 2019. The agency anticipates that ongoing software maintenance costs will amount to approximately \$1,300 per year beginning in FY 2021. The agency states that there will be no out-year licensing costs associated with this request.

Agency Request	0.00	65,000	0	0	65,000
<i>The Governor recommends that this line item be funded by the Technology Infrastructure Stabilization Fund.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>65,000</i>	<i>0</i>	<i>65,000</i>

Attorney General

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Consumer Specialist					State Legal Services
The Attorney General requests 1.00 FTP and \$73,500 from the Consumer Protection Fund to hire a consumer specialist to bolster the staff currently responsible for processing and mediating consumer complaints. Of the total amount requested, \$67,700 is in ongoing personnel costs for salary and benefits, and \$5,800 is in onetime capital outlay for computer equipment and office furniture. According to the agency, consumer complaints have increased by 50% between FY 2017 and FY 2018, and are expected to continue to increase as the agency implements electronic submission of consumer complaints. Currently, two consumer specialists and one paralegal are assigned to processing and mediating consumer complaints.					
Agency Request	1.00	0	73,500	0	73,500
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	72,800	0	72,800
5. Administrative Asst Increase in Hours					Internet Crimes Against Children
This request is for 0.50 FTP and \$27,100 in ongoing personnel costs from the General Fund to increase the hours of the administrative assistant assigned to the Internet Crimes Against Children Unit. Currently, the administrative assistant supports four computer examiners, four criminal investigators, eight affiliate investigators, and the unit chief. The responsibilities of the position include cyber-tip management, correspondence and MOUs, affiliate invoices, training requests, travel requests, documentation, case file updates, phone screening, scheduling, and supply purchasing. According to the agency, a part-time position is insufficient to meet the demands of the job and, as currently staffed, requires assistance from the unit chief. The agency believes this is an inefficient use of investigator staff time.					
Agency Request	0.50	27,100	0	0	27,100
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	0.50	26,500	0	0	26,500
6. Criminal Disability Investigations Unit					State Legal Services
The agency requests 3.00 FTP and \$334,800 to establish a criminal disability investigations unit (CDIU) to assist the Social Security Administration (SSA) in its investigation of allegations of fraudulent Social Security disability claims. Of the total amount requested, \$289,500 is in ongoing personnel costs from the Miscellaneous Revenue Fund for salary and benefits; \$28,300 is in ongoing operating expenditures from the Miscellaneous Revenue Fund for cellular service, travel, office supplies, and investigative expenses; \$3,200 is in onetime capital outlay from the Miscellaneous Revenue Fund for computer equipment; \$1,400 is in ongoing operating expenditures from the General Fund for firearms qualifying expenses; \$2,400 is in onetime operating expenditures from the General Fund for law enforcement equipment; and \$10,000 is in onetime capital outlay from the General Fund for two ballistic vests, two pistols, and two radios. In 2015, Congress directed the SSA to establish CDIUs in all 50 states. Currently, there are 39 participating agencies nationwide, including the Utah Attorney General's office, Washington State Patrol, and the Oregon Department of Justice. Here, the unit would be headed by the Office of the Inspector General and would include an analyst from the SSA, an analyst from Idaho Disability Determination Services (DDS) within the Idaho Department of Labor, and two investigators and one analyst from the Idaho Attorney General's Office. The results of investigations would be presented to DDS and, if applicable, to federal and state prosecutors. SSA will provide the office space and equipment, as well as cover personnel costs via reimbursements from DDS. The cost of law enforcement equipment, however, would be covered by the Attorney General. According to the agency, 28,737 Idahoans receive SSDI from the federal government, totaling \$186,792,000 in annual distributions. Also, qualified SSDI recipients may be eligible for benefits through state assistance programs such as Medicaid; Aid for Aged, Blind, and Disabled; and the Supplemental Nutrition Assistance Program. Any savings generated by the CDIU, therefore, would be realized by the federal and state governments. Separate legislation will be required to authorize the Attorney General to operate the CDIU.					
Agency Request	3.00	13,800	321,000	0	334,800
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	3.00	13,800	319,100	0	332,900

Attorney General

Analyst: Hoskins

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	19,100	0	19,100
Budget Law Exemptions					
The agency requests an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation between programs and among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends an exemption from object transfer limitations only.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	216.10	24,165,300	901,900	1,174,800	26,242,000
Governor's Recommendation	215.10	24,177,900	985,900	1,184,400	26,348,200
Agency Request					
Change from Original App	5.50	525,500	392,500	5,400	923,400
% Change from Original App	2.6%	2.2%	77.1%	0.5%	3.6%
Governor's Recommendation					
Change from Original App	4.50	538,100	476,500	15,000	1,029,600
% Change from Original App	2.1%	2.3%	93.5%	1.3%	4.1%

State Controller

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	772,100	744,800	739,700	747,200	751,000
Statewide Accounting	4,090,300	3,999,600	5,735,700	5,307,500	5,328,800
Statewide Payroll	3,493,600	3,379,500	4,485,800	4,925,900	4,943,600
Computer Center	10,944,200	7,908,500	7,856,500	7,909,800	7,963,200
Total:	19,300,200	16,032,400	18,817,700	18,890,400	18,986,600
BY FUND CATEGORY					
General	8,346,000	8,119,200	10,951,200	10,970,600	11,005,300
Dedicated	10,954,200	7,913,200	7,866,500	7,919,800	7,981,300
Total:	19,300,200	16,032,400	18,817,700	18,890,400	18,986,600
Percent Change:		(16.9%)	17.4%	0.4%	0.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	9,290,500	8,002,200	8,846,400	8,964,900	9,053,000
Operating Expenditures	9,771,500	7,271,400	9,911,000	9,881,000	9,889,100
Capital Outlay	238,200	758,800	60,300	44,500	44,500
Total:	19,300,200	16,032,400	18,817,700	18,890,400	18,986,600
Full-Time Positions (FTP)	95.00	95.00	95.00	95.00	95.00

Department Description

The State Controller is a part of the executive branch and is one of seven statewide elected officials in Idaho. The office is organized into four divisions: (1) Administration; (2) Statewide Accounting; (3) Statewide Payroll; and (4) the Computer Service Center. [Statutory Authority: Section 67-1001, Idaho Code]

The Division of Administration includes central support employees and administrative staff. It is also responsible for administering the state's Section 218 Agreement with the federal Social Security Administration pursuant to Section 59-1101A, Idaho Code.

The Division of Statewide Accounting is responsible for maintaining the state's accounting system, called STARS (Statewide Accounting and Reporting System), as well as preparing statewide and agency-specific financial reports. The Division of Statewide Payroll is responsible for paying and keeping personnel and payroll records for the state. It accomplishes this through the Employee Information System (EIS), which consists of three major components: 1) Position Control; 2) Personnel; and 3) Payroll. The division is also responsible for garnishment processing, tax reporting, interfacing with the Division of Accounting, and electronic fund transfers with major vendors associated with the payroll system. The Accounting and Payroll Divisions are funded by the General Fund with moneys recovered through the Statewide Cost Allocation Process.

The Computer Service Center maintains a state data center and provides technology services to the Accounting and Payroll Divisions, as well as many other state agencies such as the Department of Administration and the Department of Lands. The Computer Service Center bills the Controller's divisions internally and agency customers directly for IT services. [Statutory Authority: Section 67-1001, Idaho Code]

The Controller serves as secretary for the Board of Examiners, which consists of the Governor, Attorney General, and the Secretary of State, performing all administrative support for claims against the state. The claims are recorded by the Controller and audited by the Legislature. The board examines these audited claims, and performs other duties as prescribed by law. The Controller is also a member of the State Board of Land Commissioners, the Idaho Technology Authority (ITA), and the Deferred Compensation and College Savings Boards.

State Controller

Comparative Summary

Analyst: Smith

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	95.00	10,951,200	18,817,700	95.00	10,951,200	18,817,700
Reappropriation	0.00	0	3,035,700	0.00	0	3,035,700
FY 2019 Total Appropriation	95.00	10,951,200	21,853,400	95.00	10,951,200	21,853,400
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	95.00	10,951,200	21,853,400	95.00	10,951,200	21,853,400
Removal of Onetime Expenditures	0.00	(27,300)	(3,096,000)	0.00	(27,300)	(3,096,000)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	95.00	10,923,900	18,757,400	95.00	10,923,900	18,757,400
Benefit Costs	0.00	15,300	35,600	0.00	(11,600)	(24,000)
Replacement Items	0.00	30,800	52,400	0.00	30,800	52,400
Statewide Cost Allocation	0.00	(38,300)	(37,900)	0.00	(38,300)	(37,900)
Annualizations	0.00	6,200	6,200	0.00	6,200	6,200
Change in Employee Compensation	0.00	32,700	76,700	0.00	94,300	224,400
FY 2020 Program Maintenance	95.00	10,970,600	18,890,400	95.00	11,005,300	18,978,500
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	8,100
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	95.00	10,970,600	18,890,400	95.00	11,005,300	18,986,600
Change from Original Appropriation	0.00	19,400	72,700	0.00	54,100	168,900
% Change from Original Appropriation		0.2%	0.4%		0.5%	0.9%

State Controller

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	95.00	10,951,200	7,866,500	0	18,817,700

Reappropriation

The Computer Service Center was authorized to reappropriate or carryover its unencumbered and unspent dedicated fund appropriation balance from FY 2018 into FY 2019, pursuant to Section 4 of S1373 of 2018. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	0	3,035,700	0	3,035,700
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>3,035,700</i>	<i>0</i>	<i>3,035,700</i>

FY 2019 Total Appropriation					
Agency Request	95.00	10,951,200	10,902,200	0	21,853,400
<i>Governor's Recommendation</i>	<i>95.00</i>	<i>10,951,200</i>	<i>10,902,200</i>	<i>0</i>	<i>21,853,400</i>

Noncognizable Funds and Transfers

This adjustment transfers \$448,000 from the General Fund from the Division of Statewide Accounting to the Division of Statewide Payroll in the current fiscal year. In FY 2019, \$3,000,000 was appropriated and divided between the two divisions (\$1,830,000 to Statewide Accounting and \$1,170,000 to Statewide Payroll) to supplement the costs of operating the Computer Service Center (CSC) due to the loss of fee revenue from the Department of Health and Welfare, which ceased using the CSC for its non-fiscal systems in FY 2019. This transfer redistributes the \$3,000,000 to provide \$1,382,000 to Statewide Accounting and \$1,618,000 to Statewide Payroll in FY 2019 in accordance with projected FY 2019 expenditures.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2019 Estimated Expenditures					
Agency Request	95.00	10,951,200	10,902,200	0	21,853,400
<i>Governor's Recommendation</i>	<i>95.00</i>	<i>10,951,200</i>	<i>10,902,200</i>	<i>0</i>	<i>21,853,400</i>

Removal of Onetime Expenditures

This action removes amounts appropriated on a onetime basis in FY 2019 for standard office IT equipment.

Agency Request	0.00	(27,300)	(3,068,700)	0	(3,096,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(27,300)</i>	<i>(3,068,700)</i>	<i>0</i>	<i>(3,096,000)</i>

Base Adjustments

The agency requests to transfer 0.96 FTP from Statewide Payroll to its three other divisions: 0.10 FTP to Administration, 0.06 FTP to Statewide Accounting, and 0.80 FTP to the Computer Service Center. These transfers will adjust the FTP allocation of Administration staff to update how their effort is currently divided across each division.

Additionally, the agency requests that the transfer of \$448,000 from the General Fund from Statewide Accounting to Statewide Payroll being made on a onetime basis in FY 2019 be approved as an ongoing base adjustment.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	95.00	10,923,900	7,833,500	0	18,757,400
<i>Governor's Recommendation</i>	<i>95.00</i>	<i>10,923,900</i>	<i>7,833,500</i>	<i>0</i>	<i>18,757,400</i>

State Controller

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	15,300	20,300	0	35,600
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(11,600)	(12,400)	0	(24,000)
Replacement Items					
In accordance with its three year repair and maintenance schedule, the agency requests \$30,800 from the General Fund and \$21,600 from the Data Processing Services Fund to replace its standard office IT equipment.					
Agency Request	0.00	30,800	21,600	0	52,400
Governor's Recommendation	0.00	30,800	21,600	0	52,400
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will decrease by \$38,500 and State Controller fees will increase by \$600, for a net reduction of \$37,900.					
Agency Request	0.00	(38,300)	400	0	(37,900)
Governor's Recommendation	0.00	(38,300)	400	0	(37,900)
Annualizations					
Funding is requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The State Controller's pay increased by 9.5% on January 1, 2019, from \$107,357 to \$117,557 annually. This adjustment funds the increase from July 1, 2019, through December 31, 2019. Pursuant to Section 59-501, Idaho Code, the State Controller's salary will remain at \$117,557 until January 2023.					
Agency Request	0.00	6,200	0	0	6,200
Governor's Recommendation	0.00	6,200	0	0	6,200
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	32,700	44,000	0	76,700
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	94,300	130,100	0	224,400
FY 2020 Program Maintenance					
Agency Request	95.00	10,970,600	7,919,800	0	18,890,400
Governor's Recommendation	95.00	11,005,300	7,973,200	0	18,978,500
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	8,100	0	8,100

State Controller

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Budget Law Exemptions					Computer Center
CARRYOVER: The agency requests authority to carryover its unencumbered and unspent appropriation balances for the Data Processing Services Fund, the dedicated fund for the Computer Service Center (CSC), from FY 2019 into FY 2020. Carryover requires legislative approval. The CSC works with the Divisions of Statewide Accounting and Payroll and other state agencies to maintain and enhance Idaho's financial and payroll systems and processes. The CSC also provides data processing systems and a shared data center environment and offers equipment consolidation, disaster recovery, and other IT services for agencies that choose to utilize its services. The CSC requests the continuance of carryover authority in FY 2020 to help meet the variable and changing needs of its customers and to maintain flexibility to negotiate better pricing and contract terms with vendors for substantial technology purchases the center makes on behalf of state agencies.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
FY 2020 Total					
Agency Request	95.00	10,970,600	7,919,800	0	18,890,400
<i>Governor's Recommendation</i>	<i>95.00</i>	<i>11,005,300</i>	<i>7,981,300</i>	<i>0</i>	<i>18,986,600</i>
Agency Request					
Change from Original App	0.00	19,400	53,300	0	72,700
% Change from Original App	0.0%	0.2%	0.7%		0.4%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>54,100</i>	<i>114,800</i>	<i>0</i>	<i>168,900</i>
<i>% Change from Original App</i>	<i>0.0%</i>	<i>0.5%</i>	<i>1.5%</i>		<i>0.9%</i>

Idaho Legislative Budget Book

Office of the Governor

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Office of the Governor

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Aging, Commission on	12,558,400	12,153,200	13,594,400	13,705,800	13,629,000
Arts, Commission on the	1,987,000	1,608,800	2,021,200	2,056,800	2,051,700
Blind, Commission for the	4,986,600	4,781,900	4,986,400	5,073,700	5,096,300
Drug Policy, Office of	4,878,400	4,231,000	4,823,500	4,797,600	4,809,900
Energy & Mineral Resources, Office of	1,300,700	809,800	1,308,700	1,325,700	1,341,800
Financial Management, Div of	1,928,300	1,806,500	1,958,700	1,994,900	2,034,700
Governor, Exec. Office	2,348,100	2,111,900	2,428,500	2,238,500	2,280,700
Human Resources, Division of	2,263,800	2,211,700	2,164,000	2,327,900	2,364,300
Liquor Division, State	20,156,400	19,450,600	21,410,900	22,865,800	22,229,200
Military Division	92,143,200	110,341,200	104,971,900	83,333,300	83,013,100
Pub Emp Retirement System	7,947,900	7,665,500	8,111,700	8,937,400	8,751,800
Species Conservation, Office of	14,131,500	12,540,200	14,245,000	14,900,600	14,926,100
STEM Action Center	6,589,800	6,019,700	4,676,600	6,681,500	4,696,800
Wolf Depredation Control Board	0	765,100	0	0	0
Workforce Development Council	0	0	8,553,100	8,559,200	8,569,000
Office of Information Technology Servi	0	0	5,870,200	6,667,400	9,728,600
Total:	173,220,100	186,497,100	201,124,800	185,466,100	185,523,000
BY FUND CATEGORY					
General	24,005,500	23,495,500	24,180,400	28,769,600	24,796,100
Dedicated	40,472,100	37,628,700	54,254,100	56,516,200	60,573,500
Federal	108,742,500	125,372,900	122,690,300	100,180,300	100,153,400
Total:	173,220,100	186,497,100	201,124,800	185,466,100	185,523,000
Percent Change:		7.7%	7.8%	(7.8%)	(7.8%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	61,822,800	56,646,400	69,850,400	73,834,600	76,845,100
Operating Expenditures	45,204,600	69,030,800	48,738,100	50,382,100	50,201,700
Capital Outlay	23,679,700	26,528,200	33,551,900	9,502,200	8,754,000
Trustee/Benefit	42,318,300	34,291,700	48,984,400	51,747,200	49,722,200
Lump Sum	194,700	0	0	0	0
Total:	173,220,100	186,497,100	201,124,800	185,466,100	185,523,000
Full-Time Positions (FTP)	761.55	761.55	852.92	895.92	928.92

Department Description

Pursuant to Section 20, Article IV, Idaho Constitution, all executive and administrative offices, agencies, and instrumentalities of the executive department of the state, except for those assigned to the elected constitutional officers, are allocated within not more than twenty departments. The agencies in this section have been assigned to the Office of the Governor, in compliance with the Idaho Constitution and Section 67-2402, Idaho Code.

Commission on Aging

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	4,527,400	4,527,400	4,597,900	4,699,800	4,605,800
Dedicated	0	0	0	0	1,700
Federal	8,031,000	7,625,800	8,996,500	9,006,000	9,021,500
Total:	12,558,400	12,153,200	13,594,400	13,705,800	13,629,000
Percent Change:		(3.2%)	11.9%	0.8%	0.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,197,400	1,143,900	1,209,000	1,223,800	1,234,300
Operating Expenditures	318,600	318,400	375,000	460,700	390,000
Capital Outlay	0	0	11,400	22,300	5,700
Trustee/Benefit	11,042,400	10,690,900	11,999,000	11,999,000	11,999,000
Total:	12,558,400	12,153,200	13,594,400	13,705,800	13,629,000
Full-Time Positions (FTP)	13.00	13.00	13.00	13.00	13.00

Division Description

The Idaho Commission on Aging (ICOA) has the power and duty to implement the Federal Older Americans Act and the Idaho Senior Services Act. ICOA plans, coordinates, and promotes a statewide network designed to support aging Idahoans to live healthy and dignified lives in the communities of their choice. Services are targeted to those most in need and at risk of early institutionalization and include meals, transportation, homemaker, caregiver support, and respite. ICOA also leads the effort to keep aging Idahoans safe through the Adult Protection, Ombudsmen, and senior legal assistance programs. Direct services are provided through six Area Agencies on Aging (AAA) and are guided by local area plans specifically developed to address the needs in each of their respective planning and service areas. Each area plan is developed through research, analysis, strategy identification, and stakeholder participation and advances the goals and objectives developed in the ICOA's four year Senior Services State Plan.

The ICOA Administrator and staff are advised by a seven member commission on aging appointed by the Office of the Governor. Commissioners serve four-year terms, but may not serve more than two terms consecutively, and oversee the duties, powers, and authorities of ICOA. ICOA's duties include: advocating for elderly Idahoans within state government and throughout the communities of the state; assisting communities to plan, develop, and implement in-home and community-based services; and planning, coordinating, funding, and monitoring various statewide service programs.

Commission on Aging

Area Agencies on Aging, Profile and Funding Formula

Analyst: Randolph



Area Agencies on Aging

Area Agencies on Aging (AAAs) are service contractors and are not part of the commission's organization; AAAs are not part of the commission's organization; AAAs are paid with trustee and benefit payments per Section 67-5007, Idaho Code, and receive about 80% of the commission's appropriation. AAAs assist in service delivery in local communities throughout the state. Area offices in Idaho include the following:

Area I: Area Agency on Aging North Idaho

Area II: Community Action Partnership

Area III: Area III Senior Services Agency

Area IV: College of Southern Idaho, Office on Aging

Area V: Southeast Idaho Council of Governments

Area VI: Eastern Idaho Community Action Partnership

FY 2019 Funding Formula, Based on Weighted Elderly or "at risk" Population

	Federal	State	Total
Total Funds for AAA Distribution	\$6,009,884	\$3,977,100	\$9,986,984
Base Funding Amounts: 10% of Fund	\$600,988	\$397,710	\$998,698
Remaining Balance for Formula Distribution	\$5,408,896	\$3,579,390	\$8,988,286

	Area I	Area II	Area III	Area IV	Area V	Area VI	TOTAL
Base Funding (1/6 of Base Amount)							
Federal Funds	\$100,165	\$100,165	\$100,165	\$100,165	\$100,165	\$100,165	\$600,988
State Funds	\$66,285	\$66,285	\$66,285	\$66,285	\$66,285	\$66,285	\$397,710
Weighted Population Used for Formula							
Weighted Population	61,384	29,091	130,845	53,582	40,562	38,922	354,386
65+ Living in Poverty	3,069	1,622	9,926	2,857	1,749	1,722	20,945
65+ Living Alone	9,537	4,926	25,260	7,080	5,867	6,127	58,797
60+ Racial Minority	1,834	1,112	5,567	1,197	1,629	956	12,295
60+ Hispanic	1,033	314	7,272	3,143	1,605	1,371	14,738
60+ Living in Rural	24,036	9,832	28,713	23,464	17,248	14,634	117,927
75+	17,364	8,682	42,110	12,361	9,749	10,983	101,249
85+	4,511	2,603	11,997	3,480	2,715	3,129	28,435
Percentage of Weighted Population	17.32%	8.21%	36.92%	15.12%	11.45%	10.98%	100%
Formula Driven Funding (Multiply: Weighted Population Percent and Balance of Formula Distribution)							
Federal Funds	\$1,037,052	\$544,173	\$2,097,216	\$917,972	\$719,251	\$694,220	\$6,009,884
State Funds	\$686,279	\$360,112	\$1,387,853	\$607,477	\$475,972	\$459,407	\$3,977,100
Total Allocated Funds	\$1,723,331	\$904,284	\$3,485,069	\$1,525,449	\$1,195,223	\$1,153,628	\$9,986,984
(Base + Formula)							
Title VII Funds	\$13,000	\$7,263	\$37,823	\$9,474	\$7,589	\$8,903	\$84,052
FY 2018 Carryover Funds	\$123,076	\$94,397	(\$154,082)	\$79,453	\$99,999	\$56,453	\$299,296
Total FY 2019 Budget	\$1,859,407	\$1,005,944	\$3,368,810	\$1,614,376	\$1,302,811	\$1,218,984	\$10,370,332

Commission on Aging

Area Agencies on Aging Budgets, FY 2019

Analyst: Randolph

Program	Area I	Area II	Area III	Area IV	Area V	Area VI	TOTAL
Administration							
Federal Funds	111,421	54,967	229,522	97,387	77,380	74,928	\$645,605
State Funds	68,628	36,011	138,785	60,748	47,597	45,941	\$397,709
Adult Protection							
State Funds	176,700	83,970	441,679	157,545	134,640	128,507	\$1,123,042
Case Management							
Federal Funds	500	-	51,424	-	-	-	\$51,924
State Funds	-	-	-	-	-	1,778	\$1,778
Congregate Meals							
Federal Funds	231,453	113,630	658,763	286,652	177,928	107,141	\$1,575,566
State Funds	57,102	21,083	102,184	47,843	31,095	19,608	\$278,915
Coordination							
Federal Funds	35,581	18,497	20,081	17,427	20,608	23,047	\$135,241
Home Delivered Meals							
Federal Funds	329,712	163,989	787,914	221,204	267,145	272,095	\$2,042,059
State Funds	67,987	43,500	118,191	54,512	38,258	111,368	\$433,815
Homemaker							
Federal Funds	28,000	-	-	-	-	77,666	\$105,666
State Funds	140,452	102,726	202,298	126,922	125,998	28,545	\$726,941
Information & Assistance							
Federal Funds	270,114	42,794	399,855	283,443	98,892	141,386	\$1,236,484
Legal Assistance							
Federal Funds	25,200	6,020	42,367	8,082	10,150	10,150	\$101,969
Ombudsman							
Federal Funds	15,464	78,508	97,606	14,012	17,266	54,567	\$277,423
State Funds	103,650	-	116,779	113,633	52,537	50,366	\$436,964
Health Promotion							
Federal Funds	30,587	20,323	78,045	21,378	31,700	21,811	\$203,844
Respite							
Federal Funds	38,741	43,158	363,386	53,280	72,401	63,888	\$634,854
State Funds	32,060	54,608	127,589	5,429	22,248	25,328	\$267,261
Transportation							
Federal Funds	25,300	13,321	120,387	20,877	49,600	20,793	\$250,278
State Funds	39,700	18,214	140,348	40,845	23,600	47,969	\$310,675
Other¹							
Federal Funds	13,631	17,793	103,013	27,731	34,450	28,659	\$225,277
State Funds	-	-	-	-	-	-	\$0
TOTAL BUDGET							
Federal Funds	\$1,155,704	\$573,001	\$2,952,363	\$1,051,474	\$857,519	\$896,128	\$7,486,189
State Funds	\$686,279	\$360,112	\$1,387,853	\$607,477	\$475,972	\$459,407	\$3,977,101
Total	\$1,841,983	\$933,113	\$4,340,216	\$1,658,951	\$1,333,491	\$1,355,536	\$11,463,290

¹ Other programs include public information, counseling, outreach, and chore.

Commission on Aging

Comparative Summary

Analyst: Randolph

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	13.00	4,597,900	13,594,400	13.00	4,597,900	13,594,400
Removal of Onetime Expenditures	0.00	(61,400)	(61,400)	0.00	(61,400)	(61,400)
FY 2020 Base	13.00	4,536,500	13,533,000	13.00	4,536,500	13,533,000
Benefit Costs	0.00	2,000	4,400	0.00	(2,400)	(5,900)
Replacement Items	0.00	5,700	5,700	0.00	5,700	5,700
Statewide Cost Allocation	0.00	700	1,900	0.00	700	1,900
Change in Employee Compensation	0.00	4,500	10,400	0.00	13,600	31,200
FY 2020 Program Maintenance	13.00	4,549,400	13,555,400	13.00	4,554,100	13,565,900
1. Office Relocation	0.00	100,400	100,400	0.00	0	0
2. Est. Statewide Family Caregiver Prg.	0.00	50,000	50,000	0.00	50,000	50,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	1,200
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	5,100
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	1,700	6,800
FY 2020 Total	13.00	4,699,800	13,705,800	13.00	4,605,800	13,629,000
Change from Original Appropriation	0.00	101,900	111,400	0.00	7,900	34,600
% Change from Original Appropriation		2.2%	0.8%		0.2%	0.3%

Commission on Aging

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	13.00	4,597,900	0	8,996,500	13,594,400

Removal of Onetime Expenditures

Removes onetime expenditures appropriated in FY 2019 for replacement items and one line item relating to the adult protection program evaluation and design.

Agency Request	0.00	(61,400)	0	0	(61,400)
Governor's Recommendation	0.00	(61,400)	0	0	(61,400)

FY 2020 Base					
Agency Request	13.00	4,536,500	0	8,996,500	13,533,000
Governor's Recommendation	13.00	4,536,500	0	8,996,500	13,533,000

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	2,000	0	2,400	4,400
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(2,400)	0	(3,500)	(5,900)
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Replacement Items

The agency requests \$5,700 from the General Fund to replace three laptop computers purchased in 2012 and 2014 with ultra thin laptops.

Agency Request	0.00	5,700	0	0	5,700
Governor's Recommendation	0.00	5,700	0	0	5,700

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$100, risk management costs will increase by \$1,000, State Controller fees will increase by \$1,000, and State Treasurer fees will decrease by \$200, for a net increase of \$1,900.

Agency Request	0.00	700	0	1,200	1,900
Governor's Recommendation	0.00	700	0	1,200	1,900

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	4,500	0	5,900	10,400
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$900 for that purpose.

Governor's Recommendation	0.00	13,600	0	17,600	31,200
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FY 2020 Program Maintenance					
Agency Request	13.00	4,549,400	0	9,006,000	13,555,400
Governor's Recommendation	13.00	4,554,100	0	9,011,800	13,565,900

Commission on Aging

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Office Relocation					
The commission requests a total of \$100,400 from the General Fund, of which \$80,600 is ongoing and \$16,600 is onetime, to relocate the main office. Currently, the commission rents part of the third floor male dormitory from the Idaho Commission for the Blind and Visually Impaired (ICBVI). ICBVI has notified the commission that the lease will not be renewed, with the current term set to expire July 30, 2019. The ongoing \$80,600 requested would go to anticipated rent increases (\$68,600) and communication and IT service expenses (\$12,000). Of the onetime money requested, \$16,600 would purchase a new telephone system, office furniture, and equipment and IT infrastructure; and \$3,200 would be allocated to moving expenses to relocate current furniture, supplies, and records.					
Agency Request	0.00	100,400	0	0	100,400
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. Est. Statewide Family Caregiver Prg.					
The commission requests \$50,000 ongoing from the General Fund to develop and maintain a self-directed caregiver model. The caregiver model advances aspects of Idaho's Lifespan Family Caregiver Action Plan, which was developed with various stakeholders and partners in 2015. This service is currently an option for the six Area Agencies on Aging (AAA) to offer as a service. However, the commission sees a need to create a centralized and coordinated statewide program. The supports offered by this program could include training and education, coordination of services, options counseling for the caregiver, tax-based supports, and access to a self-directed caregiver registry.					
Agency Request	0.00	50,000	0	0	50,000
Governor's Recommendation	0.00	50,000	0	0	50,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	400	800	1,200
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	1,300	3,800	5,100
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	1,700	0	5,100	6,800
FY 2020 Total					
Agency Request	13.00	4,699,800	0	9,006,000	13,705,800
Governor's Recommendation	13.00	4,605,800	1,700	9,021,500	13,629,000
Agency Request					
Change from Original App	0.00	101,900	0	9,500	111,400
% Change from Original App	0.0%	2.2%		0.1%	0.8%
Governor's Recommendation					
Change from Original App	0.00	7,900	1,700	25,000	34,600
% Change from Original App	0.0%	0.2%		0.3%	0.3%

Commission on the Arts

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	810,500	801,800	841,000	871,900	856,900
Dedicated	106,300	4,400	106,300	106,300	112,000
Federal	1,070,200	802,600	1,073,900	1,078,600	1,082,800
Total:	1,987,000	1,608,800	2,021,200	2,056,800	2,051,700
Percent Change:		(19.0%)	25.6%	1.8%	1.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	749,300	703,200	753,900	763,000	770,300
Operating Expenditures	496,300	291,400	500,900	502,400	515,000
Trustee/Benefit	741,400	614,200	766,400	791,400	766,400
Total:	1,987,000	1,608,800	2,021,200	2,056,800	2,051,700
Full-Time Positions (FTP)	10.00	10.00	10.00	10.00	10.00

Division Description

The Commission on the Arts seeks to stimulate and encourage the study and presentation of the arts, and public interest and participation therein, and to encourage and assist freedom of artistic expression. Areas of emphasis include music, theatre, dance, creative writing, painting, sculpture, architecture, and the folk and traditional arts. In fulfillment of these objectives, the commission engages in the following activities:

1. Grants for arts organizations to assist in the support of public programs in the arts for residents of, and visitors to, Idaho;
2. Fellowships in recognition of artistic excellence by individual Idaho artists;
3. Traditional arts apprenticeships and master clinics for folk and traditional artists and their apprentices, to perpetuate Idaho traditions;
4. Arts education programs, including the ArtsPowered Schools Institute, Poetry Out Loud, National Poetry Recitation Contest, and arts education project grants;
5. Technical assistance services for arts organizations and professional development opportunities for artists and arts administrators;
6. Idaho's Writer-in-Residence literature program, serving Idaho libraries in rural regions with literary readings; and
7. Honorifics, including the biennial Idaho Governor's Awards in the Arts.

The Governor appoints the 13-member Commission on the Arts, which in turn hires an executive director to plan, manage, and evaluate the activities listed above.

Commission on the Arts

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	10.00	841,000	2,021,200	10.00	841,000	2,021,200
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2020 Base	10.00	841,000	2,021,200	10.00	841,000	2,021,200
Benefit Costs	0.00	1,300	2,600	0.00	(1,500)	(3,000)
Statewide Cost Allocation	0.00	1,500	1,500	0.00	1,500	1,500
Change in Employee Compensation	0.00	3,100	6,500	0.00	9,000	19,400
FY 2020 Program Maintenance	10.00	846,900	2,031,800	10.00	850,000	2,039,100
1. Enhancement of Grant Funds	0.00	25,000	25,000	0.00	0	0
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	900
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	4,800
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	6,900	6,900
FY 2020 Total	10.00	871,900	2,056,800	10.00	856,900	2,051,700
Change from Original Appropriation	0.00	30,900	35,600	0.00	15,900	30,500
% Change from Original Appropriation		3.7%	1.8%		1.9%	1.5%

Commission on the Arts

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	10.00	841,000	106,300	1,073,900	2,021,200

Noncognizable Funds and Transfers

This request shifts 1.00 FTP from the Federal Grant Fund to the General Fund. There is no associated appropriation shift. The General Fund currently supports 3.50 FTP, while the Federal Grant Fund supports 6.50 FTP.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	10.00	841,000	106,300	1,073,900	2,021,200
Governor's Recommendation	10.00	841,000	106,300	1,073,900	2,021,200

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	1,300	0	1,300	2,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(1,500)	0	(1,500)	(3,000)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$200, risk management costs will increase by \$600, State Controller fees will increase by \$600, and State Treasurer fees will increase by \$100, for a net increase of \$1,500.

Agency Request	0.00	1,500	0	0	1,500
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Governor's Recommendation	0.00	1,500	0	0	1,500
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	3,100	0	3,400	6,500
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	9,000	0	10,400	19,400
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FY 2020 Program Maintenance					
Agency Request	10.00	846,900	106,300	1,078,600	2,031,800
Governor's Recommendation	10.00	850,000	106,300	1,082,800	2,039,100

Commission on the Arts

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Enhancement of Grant Funds					
The commission requests \$25,000 ongoing from the General Fund for trustee and benefit payments to enhance direct grants and capacity building activities through the public program in the arts and entry track grant programs. Currently, the public program in the arts and entry track grants consists of \$185,700 from the General Fund and \$164,000 in federal funds. This request would assist the commission in keeping up with increased demand for these services. Inherent in the mission of the commission is the requirement to assist constituent organizations to strengthen their public programs and services (Section 67-5605, Idaho Code). According to the commission, its previous work in these areas has been so successful that more constituent organizations qualify for grants and, as a result, the current funds are spread across a wider pool of applicants. Constituent organizations of the commission will benefit from having more direct grants available. Additionally, the commission will be able to provide constituent organizations with services that help those organizations build capacity, such as technical support and consulting in the areas of financial and cash management, budgeting, marketing, fundraising, and board development.					
Agency Request	0.00	25,000	0	0	25,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	900	0	900
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	4,800	0	4,800
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	6,900	0	0	6,900
FY 2020 Total					
Agency Request	10.00	871,900	106,300	1,078,600	2,056,800
Governor's Recommendation	10.00	856,900	112,000	1,082,800	2,051,700
Agency Request					
Change from Original App	0.00	30,900	0	4,700	35,600
% Change from Original App	0.0%	3.7%	0.0%	0.4%	1.8%
Governor's Recommendation					
Change from Original App	0.00	15,900	5,700	8,900	30,500
% Change from Original App	0.0%	1.9%	5.4%	0.8%	1.5%

Commission for the Blind and Visually Impaired

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,461,600	1,460,300	1,473,800	1,518,500	1,525,500
Dedicated	327,900	171,500	327,800	343,000	344,000
Federal	3,197,100	3,150,100	3,184,800	3,212,200	3,226,800
Total:	4,986,600	4,781,900	4,986,400	5,073,700	5,096,300
Percent Change:		(4.1%)	4.3%	1.8%	2.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,923,900	2,853,800	2,936,100	2,971,300	2,990,200
Operating Expenditures	823,800	730,200	811,400	835,600	839,300
Capital Outlay	0	28,100	0	27,900	27,900
Trustee/Benefit	1,238,900	1,169,800	1,238,900	1,238,900	1,238,900
Total:	4,986,600	4,781,900	4,986,400	5,073,700	5,096,300
Full-Time Positions (FTP)	41.12	41.12	41.12	41.12	41.12

Division Description

The Idaho Commission for the Blind and Visually Impaired (ICBVI) was established in 1967. ICBVI assists individuals who are blind or visually impaired achieve social and economic independence. The commission is organized under the Office of the Governor and consists of five appointed members who serve three-year terms. At least three of the commissioners must be blind or visually impaired. ICBVI's duties consist of the following:

Assist individuals who are blind or visually impaired achieve independence by informing them of available services and engaging in other activities that ameliorate the condition of blindness;

Provide programs of case finding, education, counseling, and guidance; blindness prevention, reading/taping, and related services; training, job identification, and placement; and physical/sight restoration to build confidence and self-sufficiency;

Implement and oversee the Business Enterprise Program (BEP), which allows individuals who are blind or visually impaired the opportunity to become food service or vending operators; and

Administer federal vocational rehabilitation programs for individuals who are blind or visually impaired.

In addition, the Assessment and Training Center (ATC) in Boise provides intensive instruction in skills needed for a blind or visually impaired person to participate fully in mainstream society. ATC's goal is to provide training that will allow the individual to perform any task, on the job or at home, as well as sighted peers. Instruction is available in the following areas: activities of daily living, braille and communications, industrial arts, keyboard and computer, and orientation and mobility/cane travel.

Commission for the Blind and Visually Impaired

Analyst: Randolph

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	41.12	1,473,800	4,986,400	41.12	1,473,800	4,986,400
1. Adaptive Aids & Appliances	0.00	0	15,000	0.00	0	15,000
FY 2019 Total Appropriation	41.12	1,473,800	5,001,400	41.12	1,473,800	5,001,400
Removal of Onetime Expenditures	0.00	(6,000)	(6,000)	0.00	(6,000)	(6,000)
FY 2020 Base	41.12	1,467,800	4,995,400	41.12	1,467,800	4,995,400
Benefit Costs	0.00	3,000	10,500	0.00	(4,000)	(20,000)
Replacement Items	0.00	27,900	27,900	0.00	27,900	27,900
Statewide Cost Allocation	0.00	3,200	5,600	0.00	3,200	5,600
Change in Employee Compensation	0.00	7,000	24,700	0.00	21,000	74,100
FY 2020 Program Maintenance	41.12	1,508,900	5,064,100	41.12	1,515,900	5,083,000
1. Microsoft Office 365	0.00	9,600	9,600	0.00	9,600	9,600
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	3,700
FY 2020 Total	41.12	1,518,500	5,073,700	41.12	1,525,500	5,096,300
Change from Original Appropriation	0.00	44,700	87,300	0.00	51,700	109,900
% Change from Original Appropriation		3.0%	1.8%		3.5%	2.2%

Commission for the Blind and Visually Impaired

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	41.12	1,473,800	327,800	3,184,800	4,986,400

1. Adaptive Aids & Appliances

The commission requests an additional \$15,000 in ongoing operating expenditures from the Adaptive Aids and Appliances Fund for the Adaptive Aids and Appliances Store. The FY 2019 Base provides \$47,900 for the agency to spend proceeds from the store, and outside sales to non-clients increased 13.4% from FY 2017 to FY 2018. The increased appropriation would be used to replenish stock utilizing the increased revenue. The agency anticipates demand for adaptive aids and appliances will continue to increase. The commission asserts that, without this additional appropriation, the storekeeper will be unable to purchase adequate merchandise for the remainder of FY 2019.

Agency Request	0.00	0	15,000	0	15,000
Governor's Recommendation	0.00	0	15,000	0	15,000

FY 2019 Total Appropriation					
Agency Request	41.12	1,473,800	342,800	3,184,800	5,001,400
Governor's Recommendation	41.12	1,473,800	342,800	3,184,800	5,001,400

Removal of Onetime Expenditures

This adjustment removes \$6,000 in General Funds appropriated for replacement items.

Agency Request	0.00	(6,000)	0	0	(6,000)
Governor's Recommendation	0.00	(6,000)	0	0	(6,000)

FY 2020 Base					
Agency Request	41.12	1,467,800	342,800	3,184,800	4,995,400
Governor's Recommendation	41.12	1,467,800	342,800	3,184,800	4,995,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	3,000	100	7,400	10,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(4,000)	(300)	(15,700)	(20,000)
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Replacement Items

The commission requests \$27,900 onetime from the General Fund to replace a passenger van purchased in 2010. The current van has logged 140,100 miles, and is used in the Treasure Valley to transport clients. General Fund moneys are needed because the U.S. Department of Education, Rehabilitation Services Administration, has denied ICBVI the use of federal funds for the purchase of vehicles because the current cost allocation plan does not address capital equipment. The agency is working to rewrite the cost allocation plan to include capital equipment.

Agency Request	0.00	27,900	0	0	27,900
Governor's Recommendation	0.00	27,900	0	0	27,900

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$2,400, risk management costs will increase by \$1,600, State Controller fees will increase by \$1,700, and State Treasurer fees will decrease by \$100, for a net increase of \$5,600.

Agency Request	0.00	3,200	0	2,400	5,600
Governor's Recommendation	0.00	3,200	0	2,400	5,600

Commission for the Blind and Visually Impaired

Analyst: Randolph

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	7,000	100	17,600	24,700
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	21,000	300	52,800	74,100
FY 2020 Program Maintenance					
Agency Request	41.12	1,508,900	343,000	3,212,200	5,064,100
Governor's Recommendation	41.12	1,515,900	342,800	3,224,300	5,083,000
1. Microsoft Office 365					
The commission requests \$9,600 ongoing from the General Fund to upgrade to Microsoft Office 365. The FY 2020 base includes \$1,200 ongoing from the General Fund for email only, as recommended by the Office of the Chief Information Officer. The annual subscription for the complete office suite will be \$10,800. This move to Office 365 is recommended by the Office of Information Technology Services to provide the agency with greater functionality and improved security.					
Agency Request	0.00	9,600	0	0	9,600
Governor's Recommendation	0.00	9,600	0	0	9,600
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	1,200	2,500	3,700
FY 2020 Total					
Agency Request	41.12	1,518,500	343,000	3,212,200	5,073,700
Governor's Recommendation	41.12	1,525,500	344,000	3,226,800	5,096,300
Agency Request					
Change from Original App	0.00	44,700	15,200	27,400	87,300
% Change from Original App	0.0%	3.0%	4.6%	0.9%	1.8%
Governor's Recommendation					
Change from Original App	0.00	51,700	16,200	42,000	109,900
% Change from Original App	0.0%	3.5%	4.9%	1.3%	2.2%

Office of Drug Policy

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	321,900	233,700	339,300	330,300	333,500
Dedicated	219,200	119,600	84,500	24,500	25,100
Federal	4,337,300	3,877,700	4,399,700	4,442,800	4,451,300
Total:	4,878,400	4,231,000	4,823,500	4,797,600	4,809,900
Percent Change:		(13.3%)	14.0%	(0.5%)	(0.3%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	527,500	447,800	547,400	539,100	544,200
Operating Expenditures	444,200	377,300	564,100	448,700	455,900
Capital Outlay	0	200	0	0	0
Trustee/Benefit	3,712,000	3,405,700	3,712,000	3,809,800	3,809,800
Lump Sum	194,700	0	0	0	0
Total:	4,878,400	4,231,000	4,823,500	4,797,600	4,809,900
Full-Time Positions (FTP)	6.00	6.00	6.00	6.00	6.00

Division Description

The Office of Drug Policy was created during the 2007 legislative session. Section 67-821, Idaho Code, states that the Office of Drug Policy shall cooperate and consult with counties, cities, and local law enforcement on programs, policies, and issues in combating Idaho's illegal drug and substance abuse problem; serve as a repository of agreements, contracts, and plans concerning programs for combating illegal drug and substance abuse from community organizations and other relevant local, state, and federal agencies, and shall facilitate the exchange of this information and data with relevant interstate and intrastate entities; provide input and comment on community, tribal and federal plans, agreements, and policies relating to illegal drug and substance abuse; and coordinate public and private entities to develop, create, and promote statewide campaigns to reduce or eliminate substance abuse.

Office of Drug Policy

Comparative Summary

Analyst: Tatro

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	6.00	339,300	4,823,500	6.00	339,300	4,823,500
Removal of Onetime Expenditures	0.00	(14,900)	(134,900)	0.00	(14,900)	(134,900)
FY 2020 Base	6.00	324,400	4,688,600	6.00	324,400	4,688,600
Benefit Costs	0.00	1,000	2,000	0.00	(900)	(1,800)
Statewide Cost Allocation	0.00	2,600	4,600	0.00	2,600	4,600
Change in Employee Compensation	0.00	2,300	4,600	0.00	6,600	13,500
FY 2020 Program Maintenance	6.00	330,300	4,699,800	6.00	332,700	4,704,900
1. Partnership for Success Grant	0.00	0	97,800	0.00	0	97,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	600
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	2,800
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	800	3,800
FY 2020 Total	6.00	330,300	4,797,600	6.00	333,500	4,809,900
Change from Original Appropriation	0.00	(9,000)	(25,900)	0.00	(5,800)	(13,600)
% Change from Original Appropriation		(2.7%)	(0.5%)		(1.7%)	(0.3%)

Office of Drug Policy

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	6.00	339,300	84,500	4,399,700	4,823,500

Removal of Onetime Expenditures

Removes onetime General Fund personnel costs and onetime grant funding from the Idaho Millennium Income Fund.

Agency Request	0.00	(14,900)	(60,000)	(60,000)	(134,900)
Governor's Recommendation	0.00	(14,900)	(60,000)	(60,000)	(134,900)

FY 2020 Base					
Agency Request	6.00	324,400	24,500	4,339,700	4,688,600
Governor's Recommendation	6.00	324,400	24,500	4,339,700	4,688,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	1,000	0	1,000	2,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(900)	0	(900)	(1,800)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$200, State Controller fees will increase by \$300, and State Treasurer fees will increase by \$100, for a net increase of \$600.

This request also includes \$4,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 19.5%.

Agency Request	0.00	2,600	0	2,000	4,600
Governor's Recommendation	0.00	2,600	0	2,000	4,600

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	2,300	0	2,300	4,600
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	6,600	0	6,900	13,500
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FY 2020 Program Maintenance					
Agency Request	6.00	330,300	24,500	4,345,000	4,699,800
Governor's Recommendation	6.00	332,700	24,500	4,347,700	4,704,900

Office of Drug Policy

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Partnership for Success Grant					
The Office of Drug Policy requests \$97,800 in federal fund trustee and benefit payments for the Partnership for Success Grant. This grant is estimated to serve approximately 1.6 million people. It aims to prevent and reduce substance abuse and its related problems and to build prevention capacity at the state and community levels. The grant total is for \$2.6 million over five years. The office already has sufficient FTP and associated personnel funding in the FY 2020 Base to implement this request if approved, because this grant is the replacement for the Strategic Prevention Framework Grant that was awarded in 2013.					
Agency Request	0.00	0	0	97,800	97,800
Governor's Recommendation	0.00	0	0	97,800	97,800
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	600	0	600
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding to provide security of state information that is used on mobile technology.					
Governor's Recommendation	0.00	0	0	2,800	2,800
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.					
Governor's Recommendation	0.00	800	0	3,000	3,800
FY 2020 Total					
Agency Request	6.00	330,300	24,500	4,442,800	4,797,600
Governor's Recommendation	6.00	333,500	25,100	4,451,300	4,809,900
Agency Request					
Change from Original App	0.00	(9,000)	(60,000)	43,100	(25,900)
% Change from Original App	0.0%	(2.7%)	(71.0%)	1.0%	(0.5%)
Governor's Recommendation					
Change from Original App	0.00	(5,800)	(59,400)	51,600	(13,600)
% Change from Original App	0.0%	(1.7%)	(70.3%)	1.2%	(0.3%)

Office of Energy and Mineral Resources

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	888,000	481,500	893,100	907,100	920,800
Federal	412,700	328,300	415,600	418,600	421,000
Total:	1,300,700	809,800	1,308,700	1,325,700	1,341,800
Percent Change:		(37.7%)	61.6%	1.3%	2.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	840,500	605,000	850,500	860,400	869,500
Operating Expenditures	398,700	189,600	393,800	402,900	409,900
Capital Outlay	3,500	1,500	6,400	4,400	4,400
Trustee/Benefit	58,000	13,700	58,000	58,000	58,000
Total:	1,300,700	809,800	1,308,700	1,325,700	1,341,800
Full-Time Positions (FTP)	8.00	8.00	8.00	8.00	8.00

Division Description

The Office of Energy Resources was originally created by Governor Andrus through Executive Order (EO) in 1975. Those responsibilities were assigned to the Idaho Department of Water Resources in 1981. Program authority was modified by EO 2001-06 when energy standards for building codes were transferred to the Division of Building Safety. On October 19, 2007, Governor Otter issued EO 2007-15 reestablishing the Office of Energy Resources within the Office of the Governor. He replaced that with EO 2011-14 and again with EO 2012-08 on October 18, 2012. On October 11, 2016, Governor Otter changed the name to the Office of Energy and Mineral Resources effective for four more years.

The duties, powers, and authorities of the Office of Energy and Mineral Resources shall include:

1. Serving as Idaho's clearinghouse and first point of contact for energy and mineral information, including addressing policy inquiries, and providing information regarding issues;
2. Coordinating the state's energy and mineral planning development efforts;
3. Advising the Governor, the Legislature and other public officials of the state's energy requirements, supply, transmission, management, conservation and efficiency efforts;
4. Coordinating and cooperating with federal and state agencies, departments, and divisions and local governments on issues concerning the state's energy requirements, supply, transmission, management, conservation, and efficiency efforts;
5. Pursuing and accepting federal delegation of responsibility and authority for matters that affect the energy supply, transmission, management, consumption, and conservation by the citizens of Idaho other than energy codes and standards for buildings and those matters under the jurisdiction of the Idaho Public Utilities Commission;
6. Advising the Governor, the Legislature and other public officials of the state's mineral acquisition, exploration and production planning, and policy development efforts;
7. Coordinating and cooperating with federal and state agencies, departments and divisions, and local governments on issues concerning the state's mineral supply and management;
8. Pursuing and accepting federal delegation of responsibility and authority for matters that affect the mineral supply, management, acquisition, exploration, and development;
9. Coordinating, supporting, and overseeing the Idaho Strategic Energy Alliance;
10. Assisting state agencies, departments, divisions, and local governments to secure funding where available for energy conservation projects and renewable energy resource opportunities;
11. Administering energy loan programs and other forms of financial assistance for eligible projects;
12. Entering into other agreements or contracts and doing that which is necessary to carry out the provisions of the executive order, and in the performance of other duties as may be directed by the Governor.

The Office of Energy and Mineral Resources may accept private contributions, state or federal funds, funds from other public agencies, or any other source. These moneys shall be expended solely for the purposes provided in the executive order and accounted for as provided by law.

Office of Energy and Mineral Resources

Analyst: Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	8.00	0	1,308,700	8.00	0	1,308,700
Removal of Onetime Expenditures	0.00	0	(6,400)	0.00	0	(6,400)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	8.00	0	1,302,300	8.00	0	1,302,300
Benefit Costs	0.00	0	2,700	0.00	0	(2,800)
Replacement Items	0.00	0	4,400	0.00	0	4,400
Statewide Cost Allocation	0.00	0	9,100	0.00	0	9,100
Change in Employee Compensation	0.00	0	7,200	0.00	0	21,800
FY 2020 Program Maintenance	8.00	0	1,325,700	8.00	0	1,334,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	600
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	2,700
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	3,700
FY 2020 Total	8.00	0	1,325,700	8.00	0	1,341,800
Change from Original Appropriation	0.00	0	17,000	0.00	0	33,100
% Change from Original Appropriation			1.3%			2.5%

Office of Energy and Mineral Resources

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	8.00	0	893,100	415,600	1,308,700

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items from the Petroleum Price Violation Fund for office IT and furniture.

Agency Request	0.00	0	(6,400)	0	(6,400)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(6,400)</i>	<i>0</i>	<i>(6,400)</i>

Base Adjustments

The agency requests a net-zero transfer of 1.45 FTP and \$7,100 in personnel costs from the Petroleum Price Violation Fund to its other dedicated and federal funds.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base

Agency Request	8.00	0	886,700	415,600	1,302,300
<i>Governor's Recommendation</i>	<i>8.00</i>	<i>0</i>	<i>886,700</i>	<i>415,600</i>	<i>1,302,300</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	1,900	800	2,700
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(1,600)</i>	<i>(1,200)</i>	<i>(2,800)</i>
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Replacement Items

Replacement items include two desk chairs (\$2,000) and two desktop computers (\$2,400), for a total of \$4,400 from the Indirect Cost Recovery Fund.

Agency Request	0.00	0	4,400	0	4,400
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>4,400</i>	<i>0</i>	<i>4,400</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$500 and risk management costs will increase by \$1,600, for a net increase of \$1,100.

This request also includes \$8,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 19.7%.

Agency Request	0.00	0	9,100	0	9,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>9,100</i>	<i>0</i>	<i>9,100</i>

Office of Energy and Mineral Resources

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	5,000	2,200	7,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	15,200	6,600	21,800
FY 2020 Program Maintenance					
Agency Request	8.00	0	907,100	418,600	1,325,700
Governor's Recommendation	8.00	0	913,800	421,000	1,334,800
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	600	0	600
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	2,700	0	2,700
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	3,700	0	3,700
FY 2020 Total					
Agency Request	8.00	0	907,100	418,600	1,325,700
Governor's Recommendation	8.00	0	920,800	421,000	1,341,800
Agency Request					
Change from Original App	0.00	0	14,000	3,000	17,000
% Change from Original App	0.0%		1.6%	0.7%	1.3%
Governor's Recommendation					
Change from Original App	0.00	0	27,700	5,400	33,100
% Change from Original App	0.0%		3.1%	1.3%	2.5%

Division of Financial Management

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,857,400	1,785,100	1,887,500	1,923,200	1,954,300
Dedicated	70,900	21,400	71,200	71,700	80,400
Total:	1,928,300	1,806,500	1,958,700	1,994,900	2,034,700
Percent Change:		(6.3%)	8.4%	1.8%	3.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,731,400	1,586,000	1,756,800	1,779,200	1,801,200
Operating Expenditures	196,900	219,000	201,900	215,700	233,500
Capital Outlay	0	1,500	0	0	0
Total:	1,928,300	1,806,500	1,958,700	1,994,900	2,034,700
Full-Time Positions (FTP)	15.00	15.00	15.00	15.00	15.00

Division Description

The mission of the Division of Financial Management (DFM) is to support the Governor's vision of short and long-term policies through effective resource allocation. DFM seeks to improve agency service delivery at the point of citizen impact by developing, monitoring, and publicizing performance outcomes, facilitating the development of the executive budget recommendation, and providing a proactive policy resource for the Governor to shape Idaho's future. The division consists of three main administrative units: Budget, Economic Analysis, and Management Services.

[Statutory Authority: Sections 67-1910 through 1918, Idaho Code]

Division of Financial Management

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	15.00	1,887,500	1,958,700	15.00	1,887,500	1,958,700
FY 2020 Base	15.00	1,887,500	1,958,700	15.00	1,887,500	1,958,700
Benefit Costs	0.00	6,400	6,500	0.00	(2,900)	(3,000)
Statewide Cost Allocation	0.00	13,800	13,800	0.00	13,800	13,800
Change in Employee Compensation	0.00	15,500	15,900	0.00	46,400	47,400
FY 2020 Program Maintenance	15.00	1,923,200	1,994,900	15.00	1,944,800	2,016,900
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	1,400
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	6,900
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	9,500	9,500
FY 2020 Total	15.00	1,923,200	1,994,900	15.00	1,954,300	2,034,700
Change from Original Appropriation	0.00	35,700	36,200	0.00	66,800	76,000
% Change from Original Appropriation		1.9%	1.8%		3.5%	3.9%

Division of Financial Management

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	15.00	1,887,500	71,200	0	1,958,700
FY 2020 Base					
Agency Request	15.00	1,887,500	71,200	0	1,958,700
Governor's Recommendation	15.00	1,887,500	71,200	0	1,958,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	6,400	100	0	6,500
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(2,900)	(100)	0	(3,000)

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$700, and State Controller fees will increase by \$600 for a net increase/reduction of \$1,300.

This request also includes \$12,500 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.0%.

Agency Request	0.00	13,800	0	0	13,800
Governor's Recommendation	0.00	13,800	0	0	13,800

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	15,500	400	0	15,900
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	46,400	1,000	0	47,400

FY 2020 Program Maintenance					
Agency Request	15.00	1,923,200	71,700	0	1,994,900
Governor's Recommendation	15.00	1,944,800	72,100	0	2,016,900

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	1,400	0	1,400

GOV TECH 2. Mobile Device Security

Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	6,900	0	6,900

Division of Financial Management

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>9,500</i>	<i>0</i>	<i>0</i>	<i>9,500</i>
FY 2020 Total					
Agency Request	15.00	1,923,200	71,700	0	1,994,900
<i>Governor's Recommendation</i>	<i>15.00</i>	<i>1,954,300</i>	<i>80,400</i>	<i>0</i>	<i>2,034,700</i>
Agency Request					
Change from Original App	0.00	35,700	500	0	36,200
% Change from Original App	0.0%	1.9%	0.7%		1.8%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>66,800</i>	<i>9,200</i>	<i>0</i>	<i>76,000</i>
<i>% Change from Original App</i>	<i>0.0%</i>	<i>3.5%</i>	<i>12.9%</i>		<i>3.9%</i>

Executive Office of the Governor

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	2,324,900	2,097,800	2,380,300	2,215,100	2,257,500
Acting Governor Pay	18,200	10,300	18,200	18,400	18,200
Expense Allowance	5,000	3,800	5,000	5,000	5,000
Governor Elect Transition	0	0	25,000	0	0
Total:	2,348,100	2,111,900	2,428,500	2,238,500	2,280,700
BY FUND CATEGORY					
General	2,348,100	2,111,900	2,403,500	2,238,500	2,269,800
Dedicated	0	0	25,000	0	10,900
Total:	2,348,100	2,111,900	2,428,500	2,238,500	2,280,700
Percent Change:		(10.1%)	15.0%	(7.8%)	(6.1%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,123,500	1,859,300	2,016,600	2,023,000	2,041,200
Operating Expenditures	224,600	249,600	411,900	215,500	239,500
Capital Outlay	0	3,000	0	0	0
Total:	2,348,100	2,111,900	2,428,500	2,238,500	2,280,700
Full-Time Positions (FTP)	22.00	22.00	21.00	21.00	21.00

Division Description

ADMINISTRATION: Exercise the powers and discharge the duties of the chief executive of the state of Idaho as delegated by the state constitution and laws of the state.

ACTING GOVERNOR PAY: The official acting as Governor is entitled to additional compensation calculated as the difference between the Governor's salary and the salary of the Lieutenant Governor. Section 67-809(2), Idaho Code.

EXPENSE ALLOWANCE: State law authorizes \$10,000 per biennium to be used by the Governor at his discretion to assist in defraying expenses relating to or resulting from the discharge of his official duties. Section 67-808d, Idaho Code.

GOVERNOR-ELECT TRANSITION: Pursuant to Section 67-815, Idaho Code, from moneys provided for the Governor-elect transition, and upon request, the administrator of the Division of Financial Management is to provide funding for: suitable office space, furnishings, and equipment; salaries and expenses of staff; travel expenses; and incidental office expenses. Pursuant to Section 67-816, Idaho Code, the time during which such moneys are available is from the date of certification as provided in Section 67-814, Idaho Code, until the Governor-elect officially assumes the office of Governor.

Executive Office of the Governor

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	21.00	2,403,500	2,428,500	21.00	2,403,500	2,428,500
Removal of Onetime Expenditures	0.00	(200,000)	(225,000)	0.00	(200,000)	(225,000)
FY 2020 Base	21.00	2,203,500	2,203,500	21.00	2,203,500	2,203,500
Benefit Costs	0.00	8,000	8,000	0.00	(5,200)	(5,200)
Statewide Cost Allocation	0.00	3,600	3,600	0.00	3,600	3,600
Annualizations	0.00	7,300	7,300	0.00	7,300	7,300
Change in Employee Compensation	0.00	16,100	16,100	0.00	47,500	47,500
FY 2020 Program Maintenance	21.00	2,238,500	2,238,500	21.00	2,256,700	2,256,700
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	1,700
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	9,200
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	13,100	13,100
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	21.00	2,238,500	2,238,500	21.00	2,269,800	2,280,700
Change from Original Appropriation	0.00	(165,000)	(190,000)	0.00	(133,700)	(147,800)
% Change from Original Appropriation		(6.9%)	(7.8%)		(5.6%)	(6.1%)

Executive Office of the Governor

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	21.00	2,403,500	25,000	0	2,428,500

Removal of Onetime Expenditures

This adjustment removes \$200,000 for public service announcement content and airtime related to school safety, and removes \$25,000 of dedicated funds for the Governor-elect transition pursuant to Section 67-815, Idaho Code.

Agency Request	0.00	(200,000)	(25,000)	0	(225,000)
Governor's Recommendation	0.00	(200,000)	(25,000)	0	(225,000)

FY 2020 Base					
Agency Request	21.00	2,203,500	0	0	2,203,500
Governor's Recommendation	21.00	2,203,500	0	0	2,203,500

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	8,000	0	0	8,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(5,200)	0	0	(5,200)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$3,400, and State Controller fees will increase by \$200 for a net increase of \$3,600.

Agency Request	0.00	3,600	0	0	3,600
Governor's Recommendation	0.00	3,600	0	0	3,600

Annualizations

Personnel costs in the amount of \$7,300 from the General Fund are requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The Governor's pay increased commencing on the first Monday in January 2019, by 9.5%, from \$126,302 to \$138,302 annually, and this adjustment funds the increase from July 1, 2019, through December 31, 2019.

Agency Request	0.00	7,300	0	0	7,300
Governor's Recommendation	0.00	7,300	0	0	7,300

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	16,100	0	0	16,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	47,500	0	0	47,500
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FY 2020 Program Maintenance					
Agency Request	21.00	2,238,500	0	0	2,238,500
Governor's Recommendation	21.00	2,256,700	0	0	2,256,700

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	1,700	0	1,700
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Executive Office of the Governor

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	9,200	0	9,200
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	13,100	0	0	13,100
Budget Law Exemptions					
LUMP SUM: The agency requests an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	21.00	2,238,500	0	0	2,238,500
Governor's Recommendation	21.00	2,269,800	10,900	0	2,280,700
Agency Request					
Change from Original App	0.00	(165,000)	(25,000)	0	(190,000)
% Change from Original App	0.0%	(6.9%)	(100.0%)		(7.8%)
Governor's Recommendation					
Change from Original App	0.00	(133,700)	(14,100)	0	(147,800)
% Change from Original App	0.0%	(5.6%)	(56.4%)		(6.1%)

Division of Human Resources

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	2,263,800	2,211,700	2,164,000	2,327,900	2,364,300
Percent Change:		(2.3%)	(2.2%)	7.6%	9.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,402,100	1,363,800	1,497,700	1,566,500	1,582,300
Operating Expenditures	851,700	712,100	664,300	761,400	782,000
Capital Outlay	10,000	135,800	2,000	0	0
Total:	2,263,800	2,211,700	2,164,000	2,327,900	2,364,300
Full-Time Positions (FTP)	15.00	15.00	16.00	16.00	16.00

Division Description

The Division of Human Resources (DHR) is organized within the Office of the Governor. The division is responsible for employee recruitment, job classification, employee assessment and selection processes, compensation issues, workforce planning and development, employee relations, and providing human resource policy to comply with applicable laws and regulations. [Statutory Authority: Chapter 53, Title 67, Idaho Code]

Most of the former powers and duties of the Personnel Commission were statutorily transferred to the administrator of the Division of Human Resources in FY 2000. The administrator is appointed by and reports to the Governor. The Personnel Commission still exists to hear appeals of dismissals, demotions, or suspensions by agency directors, or rulings made by the administrator. The commission is financially and administratively supported by the Division of Human Resources. [Statutory Authority: Section 67-5301, et seq., Idaho Code]

The DHR transitioned to a new employee recruiting system, NEOGOV, in December 2018. The Department of Labor (DOL) is the agency extracting the data from the previous Applicant Tracking System (ATS) system to a server database that will be hosted by the Office of Information Technology Services. Once the data is transferred from the DOL, DHR will no longer require DOL's assistance for the recruiting system platform, and will work directly with NEOGOV moving forward.

This budget is funded with fees paid by all state agencies that have classified positions. The amount is equivalent to a portion of each classified position's gross salary and is .5535% for agencies with non-delegated authority (where DHR is that agency's primary human resources authority) and .306% for agencies with delegated authority (where that agency manages its own human resource issues). Agencies do not contribute to the Division of Human Resources for non-classified positions.

Division of Human Resources

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	16.00	0	2,164,000	16.00	0	2,164,000
1. CPM Personnel Reclassification	0.00	0	41,500	0.00	0	41,500
FY 2019 Total Appropriation	16.00	0	2,205,500	16.00	0	2,205,500
Removal of Onetime Expenditures	0.00	0	(16,500)	0.00	0	(16,500)
FY 2020 Base	16.00	0	2,189,000	16.00	0	2,189,000
Benefit Costs	0.00	0	5,800	0.00	0	(5,700)
Statewide Cost Allocation	0.00	0	27,700	0.00	0	27,700
Annualizations	0.00	0	35,500	0.00	0	35,500
Change in Employee Compensation	0.00	0	13,600	0.00	0	40,800
FY 2020 Program Maintenance	16.00	0	2,271,600	16.00	0	2,287,300
1. Statewide Cybersecurity Training	0.00	0	50,000	0.00	0	50,000
2. Personnel Reclassification	0.00	0	6,300	0.00	0	6,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	1,300
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	7,900
GOV TECH 3. Modernization – Consolidate	0.00	0	0	0.00	0	11,400
FY 2020 Total	16.00	0	2,327,900	16.00	0	2,364,300
Change from Original Appropriation	0.00	0	163,900	0.00	0	200,300
% Change from Original Appropriation			7.6%			9.3%

Division of Human Resources

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	16.00	0	2,164,000	0	2,164,000

1. CPM Personnel Reclassification

The agency requests \$41,500 from the dedicated Division of Human Resources Fund to supplement its FY 2019 appropriation for the Certified Public Manager (CPM) Program. The request includes ongoing personnel costs of \$10,800, ongoing operating expenditures of \$16,200, and onetime capital outlay totaling \$14,500. This request will allow the current program manager position to be reclassified to a project manager. Specifically, the ongoing portion of the request includes a salary increase of \$8,800 and a variable benefit cost increase of \$2,000. It also includes ongoing operating expenditures for \$5,000 for the annual CPM Continuing Education Conference (held annually in the summer); \$1,200 for CPM training software; and \$10,000 for a CPM scheduling module. The onetime portion of the request for capital outlay is \$2,400 for a computer, \$600 for two monitors, and \$11,500 for a copy machine.

ANALYST NOTE: There is also an FY 2020 annualization request related to this decision unit for \$35,500 from the dedicated Division of Human Resources Fund. If both the supplemental appropriation and the annualization request are approved, the total ongoing cost of this reclassification would be \$62,500.

Agency Request	0.00	0	41,500	0	41,500
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>41,500</i>	<i>0</i>	<i>41,500</i>

FY 2019 Total Appropriation					
Agency Request	16.00	0	2,205,500	0	2,205,500
<i>Governor's Recommendation</i>	<i>16.00</i>	<i>0</i>	<i>2,205,500</i>	<i>0</i>	<i>2,205,500</i>

Removal of Onetime Expenditures

This removes \$16,500 that was appropriated onetime in FY 2019 for a computer, printer, and a chair that was purchased for an HR specialist position (\$2,000). It also removes \$2,400 for a computer, \$600 for two monitors, and \$11,500 for a copy machine for the CPM personnel reclassification supplemental appropriation request (if approved).

Agency Request	0.00	0	(16,500)	0	(16,500)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(16,500)</i>	<i>0</i>	<i>(16,500)</i>

FY 2020 Base					
Agency Request	16.00	0	2,189,000	0	2,189,000
<i>Governor's Recommendation</i>	<i>16.00</i>	<i>0</i>	<i>2,189,000</i>	<i>0</i>	<i>2,189,000</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	5,800	0	5,800
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(5,700)</i>	<i>0</i>	<i>(5,700)</i>
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Division of Human Resources

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$13,500, risk management costs will increase by \$900, and State Controller fees will increase by \$1,500, for a net increase of \$15,900.

This request also includes \$11,800 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 19.7%.

Agency Request	0.00	0	27,700	0	27,700
Governor's Recommendation	0.00	0	27,700	0	27,700

Annualizations

If the FY 2019 supplemental appropriation request for the Certified Public Manager (CPM) Program is funded, this annualization would then require \$26,500 in salary, \$5,800 in variable benefits, and \$3,200 in operating expenditures for the annual CPM National Conference. The CPM program manager and the DHR Administrator serve on the CPM International Board and would travel to the conference that is held in October of each year.

ANALYST NOTE: If both the supplemental appropriation and the annualization request are approved, the total ongoing cost of this reclassification would be \$62,500.

Agency Request	0.00	0	35,500	0	35,500
Governor's Recommendation	0.00	0	35,500	0	35,500

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	13,600	0	13,600
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	40,800	0	40,800

FY 2020 Program Maintenance

Agency Request	16.00	0	2,271,600	0	2,271,600
Governor's Recommendation	16.00	0	2,287,300	0	2,287,300

1. Statewide Cybersecurity Training

The agency requests \$50,000 ongoing from the dedicated Division of Human Resources Fund to purchase additional online statewide cybersecurity training to supplement its current cybersecurity training. Specifically, adding a phishing simulator to emulate phishing messages would test state email users' ability to identify phishing threats. The phishing simulator will also help validate the effectiveness of the cybersecurity awareness training program, identify problem areas, and ultimately minimize the largest cybersecurity threat to the state – phishing. In addition, the number one delivery vehicle for malware threats is contained within email attachments. A phishing simulator provides continuous education for our users and helps minimize the likelihood a state employee will fall victim to this method of attack.

Agency Request	0.00	0	50,000	0	50,000
Governor's Recommendation	0.00	0	50,000	0	50,000

Division of Human Resources

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Personnel Reclassification					
The agency requests \$6,300 from the dedicated Division of Human Resources Fund to reclassify two senior human resources specialists to business partners. If funded, the business partner job classification will provide a more accurate classification for the work the employees are currently performing, which includes working closely with external agencies' senior leadership to deliver business outcomes, utilize shared services, and create centers of expertise within the workforce. These two positions have already been imbedded in agencies to provide complex human resources (HR) services to comply with state and federal law and best HR practices. The agency presently employs a total of five senior human resources specialists, but this request would only reclassify two of the five.					
Agency Request	0.00	0	6,300	0	6,300
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	0.00	0	6,400	0	6,400
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	1,300	0	1,300
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	7,900	0	7,900
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies.</i>					
Governor's Recommendation	0.00	0	11,400	0	11,400
FY 2020 Total					
Agency Request	16.00	0	2,327,900	0	2,327,900
Governor's Recommendation	16.00	0	2,364,300	0	2,364,300
Agency Request					
Change from Original App	0.00	0	163,900	0	163,900
% Change from Original App	0.0%		7.6%		7.6%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	0	200,300	0	200,300
% Change from Original App	0.0%		9.3%		9.3%

Office of Information Technology Services

Analyst: Lockett

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	0	0	1,594,400	3,359,900	1,788,200
Dedicated	0	0	4,275,800	3,307,500	7,940,400
Total:	0	0	5,870,200	6,667,400	9,728,600
Percent Change:				13.6%	65.7%
BY OBJECT OF EXPENDITURE					
Personnel Costs	0	0	2,799,200	2,894,200	6,098,700
Operating Expenditures	0	0	2,344,000	2,808,200	2,664,900
Capital Outlay	0	0	727,000	965,000	965,000
Total:	0	0	5,870,200	6,667,400	9,728,600
Full-Time Positions (FTP)	0.00	0.00	30.00	31.00	66.00

Division Description

The Office of Information Technology Services (OITS) operates the state network and coordinated internet, consolidated messaging, telephone, and data and video transmission services. The office was enacted effective July 1, 2018, when the Information Technology program was eliminated at the Department of Administration and moved to the Office of Information Technology Services in the Office of the Governor as a result of H607 of 2018.

The office also coordinates the Idaho Technology Authority (ITA), which reviews and evaluates the information technology and telecommunications systems in use by state agencies, and prepares statewide short and long-range IT and Telecommunications Plans. Within the context of those plans, the ITA establishes statewide IT and telecommunications policies, standards, guidelines and conventions assuring uniformity and compatibility of state agency systems.

Statutory authority for OITS and the ITA is found in Sections 67-827A and 67-833, Idaho Code.

Office of Information Technology Services

Analyst: Lockett

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	30.00	1,594,400	5,870,200	30.00	1,594,400	5,870,200
1. Moving Costs	0.00	0	0	0.00	0	282,000
FY 2019 Total Appropriation	30.00	1,594,400	5,870,200	30.00	1,594,400	6,152,200
Removal of Onetime Expenditures	0.00	0	(1,189,500)	0.00	0	(1,471,500)
FY 2020 Base	30.00	1,594,400	4,680,700	30.00	1,594,400	4,680,700
Benefit Costs	0.00	1,900	5,800	0.00	(4,600)	(17,700)
Statewide Cost Allocation	0.00	100	13,100	0.00	100	13,100
Change in Employee Compensation	0.00	8,100	24,500	0.00	24,300	73,500
FY 2020 Program Maintenance	30.00	1,604,500	4,724,100	30.00	1,614,200	4,749,600
1. Network Core Equip Replacement	0.00	1,263,000	1,314,000	0.00	0	1,314,000
2. SecureWatch Cybersecurity Software	0.00	8,500	26,700	0.00	0	26,700
3. Service Desk IT Analyst	1.00	0	71,400	0.00	0	0
4. Mobile Device Mngmt and Security	0.00	212,900	234,200	0.00	0	234,200
5. Chinden Campus Data Center Space	0.00	10,000	36,000	0.00	10,000	36,000
6. Chinden Campus Office Space	0.00	261,000	261,000	0.00	164,000	164,000
GOV TECH 3. Modernization – Consolidate	0.00	0	0	36.00	0	3,204,100
FY 2020 Total	31.00	3,359,900	6,667,400	66.00	1,788,200	9,728,600
Change from Original Appropriation	1.00	1,765,500	797,200	36.00	193,800	3,858,400
% Change from Original Appropriation		110.7%	13.6%		12.2%	65.7%

Office of Information Technology Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	30.00	1,594,400	4,275,800	0	5,870,200

1. Moving Costs

Agency Request 0.00 0 0 0 0

The Governor recommends \$282,000 from Administration and Accounting Services Fund, onetime, for costs associated with moving the current Office of Information Technology Services staff to the Idaho State Chinden Office Complex, as well as preparing office space for new staff. This supplemental appropriation recommendation includes funding for chairs, desks, cubicles, data wiring, and moving costs.

Governor's Recommendation 0.00 0 282,000 0 282,000

FY 2019 Total Appropriation					
Agency Request	30.00	1,594,400	4,275,800	0	5,870,200
Governor's Recommendation	30.00	1,594,400	4,557,800	0	6,152,200

Removal of Onetime Expenditures

This request removes the onetime FY 2019 replacement items totaling \$1,189,500 for domain services hardware, servers and storage capacity, and video conference bridge equipment.

Agency Request 0.00 0 (1,189,500) 0 (1,189,500)

Recommended by the Governor as requested. He also removes the onetime moving costs recommended as an FY 2019 supplemental appropriation.

Governor's Recommendation 0.00 0 (1,471,500) 0 (1,471,500)

FY 2020 Base					
Agency Request	30.00	1,594,400	3,086,300	0	4,680,700
Governor's Recommendation	30.00	1,594,400	3,086,300	0	4,680,700

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request 0.00 1,900 3,900 0 5,800

The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation 0.00 (4,600) (13,100) 0 (17,700)

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$100.

This request also includes \$13,000 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 19.9%.

Agency Request 0.00 100 13,000 0 13,100

Governor's Recommendation 0.00 100 13,000 0 13,100

Office of Information Technology Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	8,100	16,400	0	24,500
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	24,300	49,200	0	73,500
FY 2020 Program Maintenance					
Agency Request	30.00	1,604,500	3,119,600	0	4,724,100
Governor's Recommendation	30.00	1,614,200	3,135,400	0	4,749,600

1. Network Core Equip Replacement

The agency requests \$1,314,000 to replace the existing state core network equipment that is now approaching seven years old. Specifically, the request is for \$1,263,000 onetime from the General Fund and \$51,000 ongoing from the Administration and Accounting Services Fund. The Idaho State Network (ISN) supports all state agencies and is relied upon to provide critical network communications across all of state government, and in support of the citizens of Idaho to access state-provided services. It requires replacement in order to stay current with support, and to ensure reliable network operations. As the existing network equipment reaches the end of its production lifecycle, maintenance costs have been rising, and network reliability has been declining. The agency believes that, in order to continue to provide reliable, high speed network communications across state government, and to ensure the citizens of Idaho have consistent access to state services, the state network equipment must be replaced in FY 2020 to avoid significant service interruptions. An ongoing increase to existing agencies' fees for network and security services is anticipated in order to cover increased maintenance costs of the state network equipment.

The ISN provides internet connectivity to all agencies which is used to provide a wide range of public-facing services, and to maintain access to local, state, and federal partners. The state network also is the primary means in which voice, video, and data services of all kinds are provided, and disruptions to the network resulting from equipment failure has a major and direct impact to state revenue. Furthermore, as state agencies have become much more reliant on Cloud services, network reliability, availability, and performance is critical in order to maintain access to these external services. With the aging network hardware, maintaining access to these services is becoming increasingly more difficult. Finally, as network technologies are changing, the older equipment is not able to keep up with these advances, creating additional difficulties for the state in trying to maintain services, and leverage new functionality for higher levels of security performance.

Agency Request	0.00	1,263,000	51,000	0	1,314,000
<i>Recommended by the Governor, all from the dedicated Administration and Accounting Services Fund.</i>					
Governor's Recommendation	0.00	0	1,314,000	0	1,314,000

2. SecureWatch Cybersecurity Software

The agency requests \$26,700 for an annual subscription-based software product called SecureWatch. The agency has a need to purchase a cloud-based solution that will provide automated inspections, audits, and risk assessments for the various initiatives and executive orders issued by the Governor's Office. Specifically, the request is for \$8,500 in onetime operating expenditures from the General Fund to set up the application and \$18,200 in ongoing operating expenditures from the Administration and Accounting Services Fund for an annual subscription of 50 cybersecurity licenses. The annual subscription will be ongoing until a new solution is necessary. The agency currently conducts manual IT security risk assessments (using Microsoft Excel) that have reached end-of-life and are burdensome to work with. As the agency consolidates throughout the state, gathering IT security risk information is now of utmost importance. SecureWatch is designed to save up to 70% of the time, and provide improved risk measurement, in comparison to conducting manual assessments.

Agency Request	0.00	8,500	18,200	0	26,700
<i>Recommended by the Governor, all from dedicated funds (\$8,500 from the Administration and Accounting Services Fund and \$18,200 from the Technology Infrastructure Stabilization Fund).</i>					
Governor's Recommendation	0.00	0	26,700	0	26,700

Office of Information Technology Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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3. Service Desk IT Analyst

The agency requests 1.00 FTP and \$71,400 from the dedicated Administration and Accounting Services Fund for a senior service desk IT systems integration analyst. Specifically, the request is for \$64,700 in ongoing personnel costs, \$1,200 in ongoing operating expenditures, and \$5,500 in onetime capital outlay for office equipment. The agency supports more than 45 agencies, boards, commissions, and councils statewide, and the amount of overall support is growing dramatically, especially as state agencies become more and more reliant on technology to do their jobs and provide citizen services. The amount of work coming into the agency's service desk has been increasing by about 15% to 20% over the last five years and is expected to continue at that rate for the foreseeable future. The service desk handles around 400 email requests and 500 phone calls for service every month. The service desk has not been able to keep up with demand, typically having as many as 20 or more unhandled services requests a week, although servicing and taking care of far more than that, the demand for service has greatly outpaced the staff currently available at the agency. Currently, there are 3.00 FTP performing this work.

Since FY 2013, the agency has added the following entities to its service desk: Department of Commerce, Idaho Workforce Development, Idaho Rural Partnership, STEM Action Center, Idaho Children's Trust Fund, Idaho Commission on Aging, and the Idaho Public Defense Commission. These entities represent approximately 75 additional users with 175 PCs, laptops, printers, and mobile devices to support.

The position being requested is in pay grade K. This position is required to work across multiple agencies, requires the knowledge and experience to keep pace with a rapidly changing landscape, and support complex issues. This position will be full-time, benefit eligible, and will start on July 1, 2019. Cash to support the dedicated fund appropriation will be billed to external agencies through the agency's billing formula.

Agency Request	1.00	0	71,400	0	71,400
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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4. Mobile Device Mngmt and Security

The agency requests \$212,900 onetime from the General Fund and \$21,300 ongoing from the Administration and Accounting Services Fund to comply with the Governor's Executive Order 2017-2. Specifically, item number three of the order requires the agency to be in compliance with critical security controls, and to establish appropriate levels of cybersecurity, including supporting mobile technology that is on and off the state network. Currently, the agency and its supported customers do not have a comprehensive end-point security capability that protects state information in any location and on any device. As the state workforce has become more mobile, and is working more frequently outside the state network, protecting state information has become difficult, and in many cases there are no protections at all. This purchase will allow the agency to obtain software and services to implement an end-point security system to serve the agencies they support. This will include protection of state information on all end-user devices when using Microsoft Office 365. New and enhanced systems will include private network technologies and enhanced data loss prevention systems. Existing staff will install, deploy, manage, and maintain the new system, and third-party vendors will assist in the onetime implementation and training. The onetime operating costs of \$186,400 is for the initial software licensing of the equipment operating systems and components. The request also includes \$26,500 for onetime professional development services. The ongoing portion of the request is \$21,300 per year for maintenance and support of the software.

Agency Request	0.00	212,900	21,300	0	234,200
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Recommended by the Governor, all from the dedicated Administration and Accounting Services Fund.

Governor's Recommendation	0.00	0	234,200	0	234,200
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Office of Information Technology Services

Analyst: Lockett

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Chinden Campus Data Center Space					
The agency requests \$10,000 ongoing from the General Fund and \$26,000 ongoing from the Administration and Accounting Services Fund for a data center at the Idaho State Chinden Campus. The data center will house multi-agency servers, storage, and network equipment. The acquisition of the Chinden Campus provides an opportunity to provide a third location outside of the Capitol Mall area to consolidate IT hardware because any agency can request that its hardware be housed in the data center. In addition, agencies that are located at the Chinden Campus will use this data center space and the associated equipment. Agencies with their own equipment (the Tax and Industrial Commissions) will initially house their equipment in this facility, as well. If approved, the data center will be implemented with existing staff.					
Agency Request	0.00	10,000	26,000	0	36,000
Governor's Recommendation	0.00	10,000	26,000	0	36,000
6. Chinden Campus Office Space					
The agency requests \$225,000 in onetime operating expenditures and \$36,000 in ongoing operating expenditures, all from the General Fund, to accommodate 20 staff in approximately 2,000 square feet of new space at the Idaho State Chinden Campus. If approved, the space will include two individual offices, multiple cubicles, one conference room, and one break area. The space will become a shared location for key technology services, such as a cybersecurity operations center, a network operations center, and IT help desk functions. The onetime portion of the request will pay for relocation expenses that include moving and installing partitions, plus the relocation of power, data, and all other necessary infrastructure. The ongoing portion of the request will pay for the rent and maintenance of the space, including the software and hardware used by the staff on a daily basis.					
Agency Request	0.00	261,000	0	0	261,000
The Governor recommends \$164,000, ongoing, from the General Fund, to accommodate approximately 60 employees. The space will provide a common location for key technology services. These services will include a cybersecurity operations center, network operations center, and IT help desk. This recommendation accounts for reduced rent in the Capitol Mall.					
Governor's Recommendation	0.00	164,000	0	0	164,000
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
The Governor recommends the consolidation of technology services in specific agencies.					
Governor's Recommendation	36.00	0	3,204,100	0	3,204,100
FY 2020 Total					
Agency Request	31.00	3,359,900	3,307,500	0	6,667,400
Governor's Recommendation	66.00	1,788,200	7,940,400	0	9,728,600
Agency Request					
Change from Original App	1.00	1,765,500	(968,300)	0	797,200
% Change from Original App	3.3%	110.7%	(22.6%)		13.6%
Governor's Recommendation					
Change from Original App	36.00	193,800	3,664,600	0	3,858,400
% Change from Original App	120.0%	12.2%	85.7%		65.7%

State Liquor Division

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	20,156,400	19,450,600	21,410,900	22,865,800	22,229,200
Percent Change:		(3.5%)	10.1%	6.8%	3.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	13,238,000	12,829,200	13,786,700	14,221,600	14,249,400
Operating Expenditures	6,218,900	6,067,500	6,694,500	7,135,400	7,071,000
Capital Outlay	699,500	553,900	929,700	1,508,800	908,800
Total:	20,156,400	19,450,600	21,410,900	22,865,800	22,229,200
Full-Time Positions (FTP)	224.00	224.00	229.00	240.00	240.00

Division Description

The mission of the Idaho State Liquor Division is to provide control over the importation, distribution, sale, and consumption of distilled spirits; curtail intemperate use of beverage alcohol; and responsibly optimize the net revenues to the citizens of Idaho. The division has the following general powers and duties:

- (a) Regulation of Liquor Traffic: to permit, license, inspect, and regulate the manufacture, importation, transportation, storage, sale, and delivery of alcoholic liquor for purposes permitted by law;
- (b) Traffic in Liquor: to buy, import, transport, store, sell, and deliver alcoholic liquor;
- (c) Operation of Liquor Stores: to establish, maintain, and discontinue warehouses, state liquor stores and distribution stations;
- (d) Acquisition of Real Estate: to acquire, buy and lease real estate, and improve and equip the same for the conduct of its business;
- (e) Acquisition of Personal Property: to acquire, buy, and lease personal property necessary and convenient for the conduct of its business; and
- (f) Making Reports: to report to the Governor annually and at such other times as he may require, concerning the condition, management, and financial transactions of the agency.

The Liquor Division is charged with exercising its powers as to curtail the intemperate use of alcoholic beverages. It shall not attempt to stimulate the normal demands of temperate consumers of alcohol, irrespective of the effect on the revenue derived by the state from the resale of intoxicating liquor.

Statutory Authority: Section 23-203, Idaho Code.

State Liquor Division

Agency Profile

Analyst: Smith

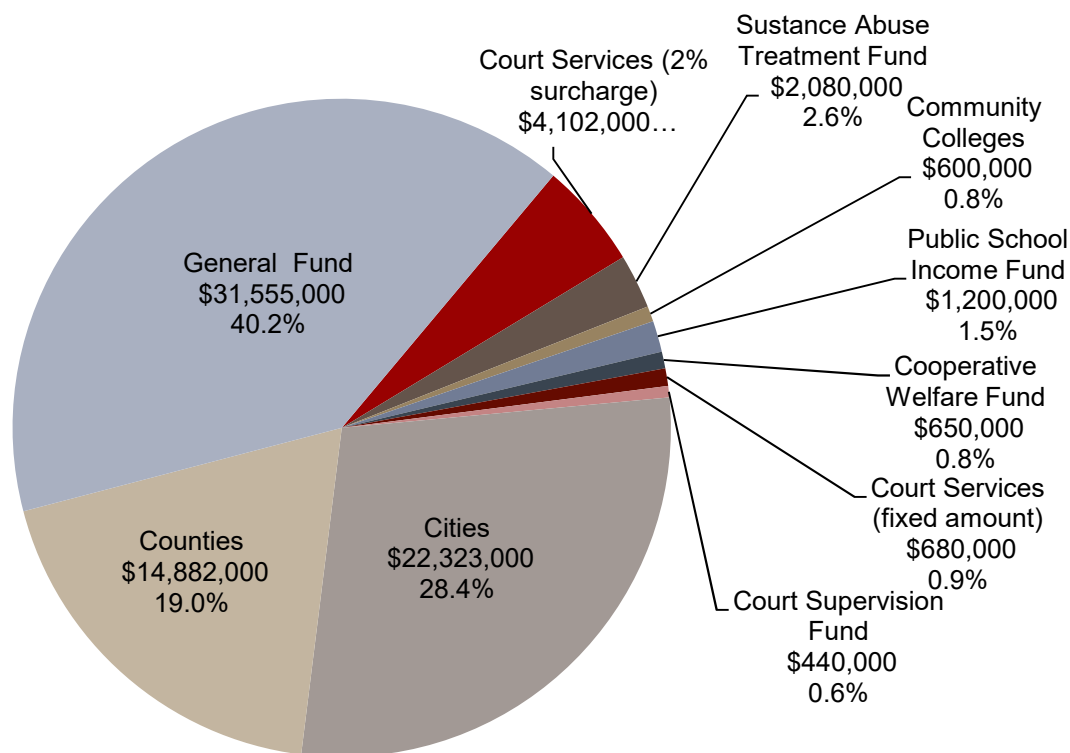
LIQUOR PROFIT DISTRIBUTION FORMULA

Pursuant to Section 23-404, Idaho Code:

1. Two percent surcharge on liquor sales collected and credited monthly to the Drug Court, Mental Health Court, and Family Court Services Fund (referenced below as Court Services).
2. Of the remaining amount, 50% of profits are distributed as follows:
 - a. Annual fixed distributions totaling \$5,650,000 to the Substance Abuse Treatment Fund, Community Colleges, Public School Income Fund, Cooperative Welfare Fund, Court Services Fund, and the Court Supervision Fund.
 - b. Remaining balance to the General Fund.
3. The remaining 50% of profits are distributed as follows:

60% to Cities (90% to cities with liquor stores, in proportion to sales; and 10% to cities without liquor stores, in proportion to population) and 40% to Counties, in proportion to sales.

FY 2018 DISTRIBUTIONS TOTALED \$78,512,000



Changes for FY 2019: Pursuant to H365 of 2018, the distribution to Community Colleges will increase by \$200,000 for the College of Eastern Idaho. Pursuant to H643 of 2018, the combined distribution to cities and counties will be reduced by 3% each year for five years (to 15% by 2023) and that amount will be allocated to the District Court Fund for magistrate court operations.

State Liquor Division

Analyst: Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	229.00	0	21,410,900	229.00	0	21,410,900
Removal of Onetime Expenditures	0.00	0	(984,500)	0.00	0	(984,500)
FY 2020 Base	229.00	0	20,426,400	229.00	0	20,426,400
Benefit Costs	0.00	0	38,900	0.00	0	(129,800)
Inflationary Adjustments	0.00	0	96,400	0.00	0	96,400
Replacement Items	0.00	0	408,800	0.00	0	408,800
Statewide Cost Allocation	0.00	0	31,500	0.00	0	31,500
Change in Employee Compensation	0.00	0	109,900	0.00	0	293,700
FY 2020 Program Maintenance	229.00	0	21,111,900	229.00	0	21,127,000
1. Upgrade Accounting ERP Software	0.00	0	600,000	0.00	0	0
2. Relocate or Remodel Nine Stores	0.00	0	761,700	0.00	0	761,700
3. Convert Group Positions to Full-Time	7.00	0	107,900	7.00	0	121,600
4. Four New Warehouse Employees	4.00	0	174,300	4.00	0	173,300
5. Consumer Website Redesign	0.00	0	80,000	0.00	0	0
6. Warehouse Pallet Jacks	0.00	0	30,000	0.00	0	30,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	15,600
FY 2020 Total	240.00	0	22,865,800	240.00	0	22,229,200
Change from Original Appropriation	11.00	0	1,454,900	11.00	0	818,300
% Change from Original Appropriation			6.8%			3.8%

State Liquor Division

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	229.00	0	21,410,900	0	21,410,900

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items (\$276,700 for store repairs and maintenance, one vehicle, and warehouse equipment) and onetime portions of line items (\$395,800 to remodel/relocate stores, \$240,000 for two new stores, \$24,000 for warehouse equipment, \$36,000 for office furniture and cubicles, \$12,000 for security software).

Agency Request	0.00	0	(984,500)	0	(984,500)
Governor's Recommendation	0.00	0	(984,500)	0	(984,500)

FY 2020 Base					
Agency Request	229.00	0	20,426,400	0	20,426,400
Governor's Recommendation	229.00	0	20,426,400	0	20,426,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	38,900	0	38,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(129,800)	0	(129,800)
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Inflationary Adjustments

The agency requests \$96,400 in ongoing operating expenditures from the Liquor Control Fund for inflationary adjustments. Of this amount, \$13,900 is requested as general inflation for utilities and repair/maintenance costs and \$82,500 is requested as contract inflation for escalations in liquor store lease rates and common area maintenance charges including insurance and property tax pass-throughs.

Agency Request	0.00	0	96,400	0	96,400
Governor's Recommendation	0.00	0	96,400	0	96,400

Replacement Items

The agency requests \$408,800 onetime from the Liquor Control Fund for the following repairs and replacement items: \$122,600 for warehouse equipment, \$17,200 for central office IT equipment, \$222,000 for store equipment and repairs, \$22,000 for data back-up, and \$25,000 in onetime operating expenditures for retail employee attire.

Agency Request	0.00	0	408,800	0	408,800
Governor's Recommendation	0.00	0	408,800	0	408,800

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$1,000, risk management costs will increase by \$16,000, State Controller fees will increase by \$15,800, and State Treasurer fees will increase by \$700, for a net increase of \$31,500.

Agency Request	0.00	0	31,500	0	31,500
Governor's Recommendation	0.00	0	31,500	0	31,500

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	109,900	0	109,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	0	293,700	0	293,700
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State Liquor Division

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	229.00	0	21,111,900	0	21,111,900
<i>Governor's Recommendation</i>	<i>229.00</i>	<i>0</i>	<i>21,127,000</i>	<i>0</i>	<i>21,127,000</i>

1. Upgrade Accounting ERP Software

The agency requests \$600,000 in onetime capital outlay from the Liquor Control Fund to purchase an upgraded version of its enterprise resource planning (ERP) software used for accounting. The Liquor Division implemented Accpac version 6.5 in 2001, and now plans to upgrade to Accpac version 7.6. In FY 2018, the agency was appropriated \$75,000 to hire a consultant to advise on solutions for upgrading the division's accounting, warehouse management, and point of sale systems. The consultant conducted a request for information and made recommendations, which provided the basis for the Liquor Division's cost estimate for this request as well as the decision to update the current ERP software rather than replace its accounting system. At this time, the agency is only requesting funding for the accounting ERP and not for upgrades or replacements of its warehouse management or point of sale systems. According to the agency, the current software is written in an aging programming language, but the agency expects to derive value from the software for at least 10 more years. The ERP includes inventory control, purchasing, general ledger, banking, accounts payable, and fixed assets modules and will interface with the Liquor Division's warehouse management and point of sale systems.

Agency Request	0.00	0	600,000	0	600,000
<i>Not recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

2. Relocate or Remodel Nine Stores

The agency requests \$761,700 from the Liquor Control Fund to remodel and/or relocate nine stores in Meridian, Nampa, Eagle, Twin Falls, Pocatello, Idaho Falls, Hailey, Rathdrum, and Lewiston. Of this amount, \$11,700 is in onetime personnel costs for part-time labor, \$35,000 is in onetime operating expenditures for moving costs, \$495,000 is in onetime capital outlay for furniture and fixtures, and \$220,000 is in ongoing operating expenditures for increases in rent and utilities. The store relocations aim to improve customer service and convenience by coordinating the location of state-run stores in more optimal retail locations. Based on historical trends, the agency anticipates that these enhancements will generate incremental sales and pay back project costs in one to two years.

Agency Request	0.00	0	761,700	0	761,700
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>761,700</i>	<i>0</i>	<i>761,700</i>

3. Convert Group Positions to Full-Time

The agency requests \$107,900 in ongoing personnel costs from the Liquor Control Fund to hire six full-time, classified liquor store clerks to replace approximately 14,600 hours worked by temporary employees. The six positions would be filled at pay grade F with full benefits. According to the agency, its largest liquor stores operate best with at least one classified employee in the store at all times as these employees have proven to be more consistent and reliable. The agency has approximately 169 classified store employees and 131 temporary employees. This request would not result in additional store hours, but would reduce the reliance on temporary staff.

Agency Request	7.00	0	107,900	0	107,900
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
<i>Governor's Recommendation</i>	<i>7.00</i>	<i>0</i>	<i>121,600</i>	<i>0</i>	<i>121,600</i>

State Liquor Division

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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4. Four New Warehouse Employees

The agency requests 4.00 FTP and \$174,300 in ongoing personnel costs from the Liquor Control Fund to hire four additional full-time warehouse employees to expand warehouse operating hours. The additional employees would work new staggered or flex receiving shifts to accommodate a longer receiving schedule to manage the increased volume of orders. According to the agency, the Liquor Division has experienced a 40% growth in product volume in the past decade and has maintained the same amount of inventory space, resulting in a need to expand its receiving hours to accommodate increased flow of product in and out of the warehouse. In the past 10 years the warehouse has regularly operated with 18 to 20 employees on a consistent basis but is experiencing increased demand.

Agency Request	4.00	0	174,300	0	174,300
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Recommended by the Governor with changes for benefits and compensation.

Governor's Recommendation	4.00	0	173,300	0	173,300
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5. Consumer Website Redesign

The agency requests \$80,000 in onetime operating expenditures from the Liquor Control Fund to redesign its consumer website, MixBlendEnjoy.com, and to migrate service portals used by suppliers, brokers, licensees, and contractors from the agency's state-hosted website (liquor.idaho.gov) to its consumer website (MixBlendEnjoy.com). The consumer website utilizes a database with greater capacity than the state-hosted website, so migrating the service portals will enable higher volumes of users to log in to their accounts online to conduct business with the Liquor Division. In addition, the agency would like to modernize the user interface and mobile-friendliness of the store locations page and product search page on its consumer website as these pages are the most frequently visited.

Agency Request	0.00	0	80,000	0	80,000
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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6. Warehouse Pallet Jacks

The agency requests \$30,000 in onetime capital outlay to purchase two rider pallet jacks. Rider pallet jacks are used to assemble freight orders for shipment to retail stores on a daily basis. In addition to increased warehouse personnel, the agency requests additional equipment to keep up with the increased volume of product being shipped to state liquor stores. The agency states this will delay the need for additional physical warehouse space.

Agency Request	0.00	0	30,000	0	30,000
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Governor's Recommendation	0.00	0	30,000	0	30,000
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GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	15,600	0	15,600
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FY 2020 Total

Agency Request	240.00	0	22,865,800	0	22,865,800
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Governor's Recommendation	240.00	0	22,229,200	0	22,229,200
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Agency Request

Change from Original App	11.00	0	1,454,900	0	1,454,900
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% Change from Original App	4.8%		6.8%		6.8%
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Governor's Recommendation

Change from Original App	11.00	0	818,300	0	818,300
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% Change from Original App	4.8%		3.8%		3.8%
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Military Division

Analyst: Otto

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Military Management	7,433,300	6,696,200	7,310,000	8,474,500	8,452,500
Federal/State Agreements	65,175,300	93,186,900	78,022,000	54,974,900	54,742,500
Office of Emergency Management	19,534,600	10,458,100	19,639,900	19,883,900	19,818,100
Total:	92,143,200	110,341,200	104,971,900	83,333,300	83,013,100
BY FUND CATEGORY					
General	6,900,700	6,904,200	7,069,900	7,846,800	7,455,900
Dedicated	6,376,400	5,201,000	6,257,400	7,088,300	7,237,200
Federal	78,866,100	98,236,000	91,644,600	68,398,200	68,320,000
Total:	92,143,200	110,341,200	104,971,900	83,333,300	83,013,100
Percent Change:		19.7%	(4.9%)	(20.6%)	(20.9%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	30,561,000	27,093,600	34,313,500	37,136,600	36,921,900
Operating Expenditures	27,281,000	51,905,700	27,440,500	28,244,800	28,265,900
Capital Outlay	22,775,600	25,612,200	31,692,300	6,426,300	6,299,700
Trustee/Benefit	11,525,600	5,729,700	11,525,600	11,525,600	11,525,600
Total:	92,143,200	110,341,200	104,971,900	83,333,300	83,013,100
Full-Time Positions (FTP)	323.80	323.80	370.80	399.80	398.80

Division Description

The Military Division is headed by the Adjutant General, who is appointed by and reports to the Governor. The division serves as the state's National Guard, the Idaho Office of Emergency Management, Public Safety Communications, and the Public Safety Communications Commission. The Division has the following programs: **MILITARY MANAGEMENT:** The Military Management Program provides effective and responsive overall management and support to the Idaho National Guard, Idaho Office of Emergency Management, Public Safety Communications, and Idaho Emergency Communications programs to ensure mission capability and to meet the goals of the state and federal governments. Under this program is the Public Safety Communications (PSC) group which provides interoperable communications capabilities between systems and jurisdictions throughout the state. PSC manages provider services and maintains the state's microwave system. PSC also oversees and coordinates procurement of standardized communication equipment by all state agencies, and must maintain and inventory all communication equipment.

FEDERAL/STATE COOPERATIVE AGREEMENTS: The purpose of the Federal/State Cooperative Agreements program is to operate and maintain the Gowen Field training complexes, the Orchard Combat Training Center, and the readiness centers and maintenance shops located throughout the state. There are also two youth programs under the Federal/State Agreements. The Idaho Youth Challenge Program is an educational program for 16 to 18 year-olds at risk of dropping out of high school. It provides an opportunity to produce program graduates with the values, life skills, education, and self-discipline necessary to succeed as productive citizens. The STARBASE Program is an educational program designed to teach fifth graders Science, Technology, Engineering, and Math (STEM) with 25 hours of hands-on, minds-on instruction. The goal of the program is to motivate students to explore STEM as they continue their education.

IDAHO OFFICE OF EMERGENCY MANAGEMENT: The Idaho Office of Emergency Management (IOEM) helps to mitigate, prepare, respond, and recover from the effects of all hazards. The office creates and orchestrates with county and local jurisdictions training in disaster response and recovery. A master plan for procurement and placement of appropriate response and recovery equipment with county and local first responders has been implemented and is funded by federal funds granted for this purpose. Under the Office of Emergency Management is the Public Safety Communications Commission. The Public Safety Communications Commission was established to assist emergency communications and response professionals in the establishment, management, operations, and accountability of consolidated emergency communications systems.

Military Division

Analyst: Otto

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	370.80	7,069,900	104,971,900	370.80	7,069,900	104,971,900
HazMat Deficiency Warrants	0.00	26,800	26,800	0.00	26,800	26,800
Cash Transfers & Adjustments	0.00	(26,800)	(26,800)	0.00	(26,800)	(26,800)
FY 2019 Total Appropriation	370.80	7,069,900	104,971,900	370.80	7,069,900	104,971,900
Noncognizable Funds and Transfers	12.00	0	52,096,300	12.00	0	52,096,300
FY 2019 Estimated Expenditures	382.80	7,069,900	157,068,200	382.80	7,069,900	157,068,200
Removal of Onetime Expenditures	0.00	(286,600)	(83,790,100)	0.00	(286,600)	(83,790,100)
FY 2020 Base	382.80	6,783,300	73,278,100	382.80	6,783,300	73,278,100
Benefit Costs	0.00	8,600	53,800	0.00	(21,900)	(178,600)
Inflationary Adjustments	0.00	200	2,800	0.00	200	2,800
Replacement Items	0.00	445,500	892,900	0.00	309,300	756,700
Statewide Cost Allocation	0.00	6,800	32,400	0.00	6,800	32,400
Change in Employee Compensation	0.00	42,200	291,300	0.00	123,000	811,500
Military Compensation	0.00	61,700	403,800	0.00	0	0
FY 2020 Program Maintenance	382.80	7,348,300	74,955,100	382.80	7,200,700	74,702,900
1. Land Leases	0.00	109,000	109,000	0.00	0	109,000
2. Supervisory HR Specialist	1.00	87,700	87,700	1.00	87,100	87,100
3. SWIC Position	1.00	49,400	102,900	1.00	49,100	102,300
4. Purchasing Agent	1.00	68,600	68,600	1.00	67,900	67,900
5. Software Engineer	1.00	102,900	102,900	1.00	51,100	102,200
6. Mitigation Planner	1.00	80,900	80,900	0.00	0	0
7. Youth Challenge Cadre Team Leaders	2.00	0	126,100	2.00	0	124,800
8. Armory Revenue Fund Increase	0.00	0	650,000	0.00	0	650,000
9. Construction and Maintenance	8.00	0	551,100	8.00	0	546,100
10. Environmental Protection Technicians	2.00	0	175,400	2.00	0	174,100
11. OCTC Equipment	0.00	0	5,545,000	0.00	0	5,545,000
12. Funding for 12 positions	0.00	0	778,600	0.00	0	771,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	30,700
FY 2020 Total	399.80	7,846,800	83,333,300	398.80	7,455,900	83,013,100
Change from Original Appropriation	29.00	776,900	(21,638,600)	28.00	386,000	(21,958,800)
% Change from Original Appropriation		11.0%	(20.6%)		5.5%	(20.9%)

Military Division

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	370.80	7,069,900	6,257,400	91,644,600	104,971,900

HazMat Deficiency Warrants

Office of Emergency Management

The division requests \$26,800 from the General Fund appropriation to cover actual expenditures incurred in FY 2018 for hazardous materials incidents. These supplemental programs are carried out under the deficiency warrant authority provided in Chapter 71, Title 39, Idaho Code. The total amount of the hazardous material incidents was \$41,503.79 for 12 cases. The division was able to recover \$9,716.22 from the incident originators, resulting in a net amount charged to the deficiency warrant account of \$31,787.57 and there was a beginning balance of \$5,023.90, adjusting the request for deficiency warrant costs when rounded to \$26,800.

Agency Request	0.00	26,800	0	0	26,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>26,800</i>	<i>0</i>	<i>0</i>	<i>26,800</i>

Cash Transfers & Adjustments

Office of Emergency Management

This request transfers \$26,800 from the General Fund to the continuously appropriated Hazardous Substance Emergency Response Fund where actual costs were incurred.

Agency Request	0.00	(26,800)	0	0	(26,800)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(26,800)</i>	<i>0</i>	<i>0</i>	<i>(26,800)</i>

FY 2019 Total Appropriation					
Agency Request	370.80	7,069,900	6,257,400	91,644,600	104,971,900
<i>Governor's Recommendation</i>	<i>370.80</i>	<i>7,069,900</i>	<i>6,257,400</i>	<i>91,644,600</i>	<i>104,971,900</i>

Noncognizable Funds and Transfers

Federal/State Agreements, OEM

The division requests a shift of 0.48 FTP from federal funds to the General Fund for a communications position within the Office of Emergency Management. This was previously a 100% federal position that was paid for by the State and Local Implementation Grant Program (SLIGP), which saw a reduction in funding and would no longer support the vacant position. However, there was sufficient salary savings in the Emergency Management Preparedness Grant (EMPG) to fund the communications position. Under the EMPG, the majority of the positions are funded at 48% General Fund and 52% from federal funds, and this request would reduce the federal FTP to match funding splits under EMPG.

The division requests the transfer of 1.00 FTP from the Office of Emergency Management Program to the Federal/State Agreement Program for STARBASE.

The Division of Financial Management approved 12.00 FTP and \$52,096,300 in federal funds due to federal grants awarded for the Orchard Combat Training Center. The division is requesting ongoing funding for the 12.00 FTP in line item 12.

Agency Request	12.00	0	0	52,096,300	52,096,300
<i>Governor's Recommendation</i>	<i>12.00</i>	<i>0</i>	<i>0</i>	<i>52,096,300</i>	<i>52,096,300</i>

FY 2019 Estimated Expenditures					
Agency Request	382.80	7,069,900	6,257,400	143,740,900	157,068,200
<i>Governor's Recommendation</i>	<i>382.80</i>	<i>7,069,900</i>	<i>6,257,400</i>	<i>143,740,900</i>	<i>157,068,200</i>

Removal of Onetime Expenditures

This action removes expenditures for replacement items, noncognizable funds, and lines items funded on a onetime basis in FY 2019.

Agency Request	0.00	(286,600)	(407,200)	(83,096,300)	(83,790,100)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(286,600)</i>	<i>(407,200)</i>	<i>(83,096,300)</i>	<i>(83,790,100)</i>

FY 2020 Base					
Agency Request	382.80	6,783,300	5,850,200	60,644,600	73,278,100
<i>Governor's Recommendation</i>	<i>382.80</i>	<i>6,783,300</i>	<i>5,850,200</i>	<i>60,644,600</i>	<i>73,278,100</i>

Military Division

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	8,600	6,400	38,800	53,800
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(21,900)	(19,400)	(137,300)	(178,600)
Inflationary Adjustments					
The division requests \$2,800 in contract inflation to account for a 3% increase for the Department of Lands lease for communication sites.					
Agency Request	0.00	200	2,600	0	2,800
Governor's Recommendation	0.00	200	2,600	0	2,800
Replacement Items					
The Military Management Program requests \$766,300 for the replacement of servers and network equipment, computers, laptops, microwave communication equipment, four vehicles, and two snowmobiles.					
The Federal/State Agreements Program requests \$126,600 for the replacement of two 1/2 ton trucks with utility beds.					
Agency Request	0.00	445,500	447,400	0	892,900
<i>The Governor does not recommend the two 1/2 ton trucks or various computer equipment.</i>					
Governor's Recommendation	0.00	309,300	447,400	0	756,700
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$1,000, risk management costs will increase by \$19,600, State Controller fees will increase by \$13,000, and State Treasurer fees will increase by \$800, for a net increase of \$32,400.					
Agency Request	0.00	6,800	4,000	21,600	32,400
Governor's Recommendation	0.00	6,800	4,000	21,600	32,400
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	42,200	37,200	211,900	291,300
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	123,000	111,000	577,500	811,500

Military Division

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Military Compensation

The Military Division is requesting step increases for military compensation. The division attempts to align the state national guard pay scale with that of the federal pay scale.

Military Management requests \$66,500 to provide step increase for 26 employees: eight of which are 100% from the General Fund and 18 are fully funded by dedicated funds.

Federal/State Agreements requests \$273,600 to provide step increases for 128 employees: 18 are a mix of federal funds and General Fund moneys, 24 are a mix of federal funds and dedicated funds, and 86 are 100% federally funded.

The Office of Emergency Management requests \$63,700 to provide step increases for 24 employees: three are 100% federally funded, one is paid 100% from the General Fund, and 20 are funded by both federal funds and the General Fund.

Agency Request	0.00	61,700	59,000	283,100	403,800
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The Governor recommends changes in military compensation be achieved through the 3% change in employee compensation.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Program Maintenance

Agency Request	382.80	7,348,300	6,406,800	61,200,000	74,955,100
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Governor's Recommendation	382.80	7,200,700	6,395,800	61,106,400	74,702,900
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1. Land Leases

Federal/State Agreements

The division requests a onetime General Fund appropriation of \$109,000 to pay the Idaho Department of Lands for land leases on state endowment lands. These leases include \$14,000 for 40 acres of land south of Gowen Field; \$28,000 for 80 acres of land south of Gowen Field on the east side of Pleasant Valley Road; \$10,000 for 274 acres of land east and west of the Orchard Combat Training Center (OCTC); and \$57,000 for 14,300 acres for East Simco land. A supplemental appropriation to use General Fund dollars was approved in FY 2018 as the National Guard Bureau (NGB) worked to secure federal funds to cover the leases. Federal funds must be approved through the Department of Defense (DOD) and approval is not expected until after FY 2020. If the DOD does not approve federal funds for the land leases the division may request this ongoing from the General Fund.

Agency Request	0.00	109,000	0	0	109,000
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Recommended by the Governor from the Miscellaneous Revenue Fund.

Governor's Recommendation	0.00	0	109,000	0	109,000
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2. Supervisory HR Specialist

Military Management

The division requests 1.00 FTP and \$87,700 in ongoing personnel costs to hire a Supervisory Human Resources Specialist (SHRS). The SHRS would provide oversight and supervision to the HR specialist and the HR assistant. The division states that this would help relieve the current HR manager of the day-to-day management of the agency's classification and staffing functions, which is approximately 50% of its current workload. The new position would allow the HR manager to focus on managerial responsibilities including development and maintenance of personnel regulations and policies, workforce and organizational analysis, strategic planning, and establishing an employee training and development program.

Agency Request	1.00	87,700	0	0	87,700
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Recommended by the Governor with changes for benefits and compensation.

Governor's Recommendation	1.00	87,100	0	0	87,100
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Military Division

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
3. SWIC Position	Office of Emergency Management				
The division requests 0.48 FTP and \$49,400 from the General Fund, and 0.52 FTP and \$53,500 in federal funds for a total of 1.00 FTP and \$102,900 in ongoing personnel costs. This request is for a new position for a statewide interoperability coordinator (SWIC) and would be split 48% from the General Fund and 52% from a federal Emergency Management Preparedness Grant. This position will act as a central outreach point and liaison between the Idaho Public Safety Communications Commission and federal, local, tribal, county, and state entities for public safety communications. At the National Governors Association meeting in May of 2018, a full-time SWIC was identified as the number one priority in supporting interoperable communications for the state of Idaho.					
Agency Request	1.00	49,400	0	53,500	102,900
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	49,100	0	53,200	102,300
4. Purchasing Agent	Military Management				
The Division requests 1.00 FTP and \$68,600 in ongoing personnel costs from the General Fund to hire a purchasing agent in the Military Division's Office of State Purchasing and Contracting (OSPC). The National Guard is planning to expend over \$700 million in projects to build on the Orchard Combat Training Center (OCTC) and Gowen Field over the next five years. The OSPC currently has 4.50 FTP and executes an average of \$25 million in contracts and purchase orders. With the increased work at Gowen Field and the OCTC, the Military Division estimates contracts and purchase orders will increase to \$125 million in FY 2019.					
Agency Request	1.00	68,600	0	0	68,600
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	67,900	0	0	67,900
5. Software Engineer	Military Management, OEM				
The division requests 1.00 FTP and \$102,900 in ongoing personnel costs from the General Fund to hire a software engineer to support the division's information technology (IT) programming requirements. The division has developed several in-house applications that are standardized dot net software frameworks and some off the shelf applications that require custom coding. The division currently does not have an FTP dedicated to coding the custom built applications. This position will provide helpdesk support to the human resource office, accounting office, public safety communications, office of emergency management, and Idaho youth challenge.					
Agency Request	1.00	102,900	0	0	102,900
<i>Recommended by the Governor with changes for benefits and compensation with 0.70 FTP and \$71,600 in the Military Management Program and 0.30 FTP and \$30,600 in the Office of Emergency Management Program.</i>					
Governor's Recommendation	1.00	51,100	20,500	30,600	102,200
6. Mitigation Planner	Office of Emergency Management				
The division requests 1.00 FTP and \$80,900 in ongoing personnel costs from the General Fund for a mitigation planner to comply with the Enhanced State Mitigation Grant Program (ESMGP). Due to the federally declared disasters in the past three years, the military would like to go from Hazard Mitigation Grant Program funding, which is set at 15% of the federal expenditures per disaster, to an ESMGP, which will increase federal funding to 20% of federal expenditures per disaster. Currently, federal funding for mitigation is \$7,000,000 and, with enhanced plan mitigation funding, would be \$9,000,000. Approval for the additional federal funds requires the state to commit funding to statewide mitigation and planning; the approval of this position would fulfill this requirement through the Federal Emergency Management Agency (FEMA).					
Agency Request	1.00	80,900	0	0	80,900
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Military Division

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
7. Youth Challenge Cadre Team Leaders			Federal/State Agreements		
The division requests 2.00 FTP and a total of \$126,100 in ongoing personnel costs with a split between 25% dedicated funds, \$31,500, and 75% federal funds, \$94,600, for two cadre team positions, National Guard members, to help manage the growth in Youth ChalleNGe enrollment. Two Youth ChalleNGe classes are completed per year, last year's classes graduated 115 in the first class and 111 in the second. The current class started with 137 students and will graduate 129 students. Enrollment is projected to be high for the second class as well. The primary duties of a cadre team are to provide leadership and guidance to the students. Currently, there are 23 cadre team leaders and, if approved, this would bring the total to 25.					
Agency Request	2.00	0	31,500	94,600	126,100
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	2.00	0	31,200	93,600	124,800
8. Armory Revenue Fund Increase			Military Management		
The division requests \$650,000 in ongoing operating expenditures to use funds from the sale of smaller regional armories to build super armories. The Driggs Armory was recently sold, providing \$304,600 to the Military Division, and the division expects to sell two additional armories, resulting in armory consolidation. The armories will be built using 75% federal funds and 25% will be covered by the Division of Public Works, but the utilities are not covered by federal funds; therefore that part of the appropriation will be used for utility infrastructure. The division may use the appropriation to cover other costs, such as the land leases, if not approved from the General Fund in line item 1.					
Agency Request	0.00	0	650,000	0	650,000
Governor's Recommendation	0.00	0	650,000	0	650,000
9. Construction and Maintenance			Federal/State Agreements		
The division requests 8.00 FTP and \$551,100 in ongoing federal funds for personnel costs to hire additional construction and maintenance positions at the Orchard Combat Training Center (OCTC). These positions include three structural firefighters, one assistant fire chief, one tool and parts attendant, one engineering technician, one structural team lead, and one equipment and vehicle maintenance coordinator.					
Agency Request	8.00	0	0	551,100	551,100
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	8.00	0	0	546,100	546,100
10. Environmental Protection Technicians			Federal/State Agreements		
The division requests 2.00 FTP and \$175,400 in ongoing federal funds for personnel costs to hire additional environmental protection technicians at the Orchard Combat Training Center (OCTC). Operational use of the OCTC has increased an estimated three to five times due to additional military personnel conducting training exercises on site. Currently, there is only one environmental protection technician employed at OCTC. The two additional positions will be responsible for responding to fuel spills, helping with hazardous waste collection, and responding to any other environmental concerns that may arise while trainings are conducted. Trainings are scheduled to start year-round, which increases the need for the OCTC to stay in compliance with federal environmental requirements.					
Agency Request	2.00	0	0	175,400	175,400
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	2.00	0	0	174,100	174,100
11. OCTC Equipment			Federal/State Agreements		
The division requests \$5,545,000 in onetime federal funds for capital outlay to purchase additional construction and maintenance equipment at the Orchard Combat Training Center (OCTC). Equipment includes trucks, voltage testing equipment, a fork lift, loaders, graders, dump trucks, bobcats, and backhoes. This equipment will help to maintain and develop the OCTC.					
Agency Request	0.00	0	0	5,545,000	5,545,000
Governor's Recommendation	0.00	0	0	5,545,000	5,545,000

Military Division

Analyst: Otto

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
12. Funding for 12 positions			Federal/State Agreements		
The division requests \$778,600 in ongoing personnel costs from federal funds. This request funds 12 positions to be hired at the Orchard Combat Training Center (OCTC). These positions include two equipment operators, six firefighters, one structural firefighter driver operator, two real property assistants, and one IT network specialist. According to the division, these positions will improve the service provided to Army facilities at the OCTC.					
The division, through the noncognizable process, was approved 12.00 FTP on an ongoing basis for the OCTC; this request would fund those positions.					
Agency Request	0.00	0	0	778,600	778,600
Recommended by the Governor with changes for benefits and compensation.					
Governor's Recommendation	0.00	0	0	771,000	771,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	30,700	0	30,700
FY 2020 Total					
Agency Request	399.80	7,846,800	7,088,300	68,398,200	83,333,300
Governor's Recommendation	398.80	7,455,900	7,237,200	68,320,000	83,013,100
Agency Request					
Change from Original App	29.00	776,900	830,900	(23,246,400)	(21,638,600)
% Change from Original App	7.8%	11.0%	13.3%	(25.4%)	(20.6%)
Governor's Recommendation					
Change from Original App	28.00	386,000	979,800	(23,324,600)	(21,958,800)
% Change from Original App	7.6%	5.5%	15.7%	(25.5%)	(20.9%)

Public Employee Retirement System

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Retirement Administration	6,926,900	6,758,800	7,218,300	7,891,800	7,696,100
Portfolio Investment	1,021,000	906,700	893,400	1,045,600	1,055,700
Total:	7,947,900	7,665,500	8,111,700	8,937,400	8,751,800
BY FUND CATEGORY					
Dedicated	7,947,900	7,665,500	8,111,700	8,937,400	8,751,800
Percent Change:		(3.6%)	5.8%	10.2%	7.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	5,027,600	4,827,700	5,135,500	5,508,700	5,372,000
Operating Expenditures	2,733,800	2,658,600	2,805,700	2,886,200	2,842,300
Capital Outlay	186,500	179,200	170,500	542,500	537,500
Total:	7,947,900	7,665,500	8,111,700	8,937,400	8,751,800
Full-Time Positions (FTP)	67.00	67.00	68.00	70.00	69.00

Division Description

The mission of the Public Employee Retirement System of Idaho (PERSI) is to provide members and their beneficiaries with reliable, secure, long-term retirement, survivor, and disability benefits as specified by law, and to assist members in planning a secure retirement by providing high quality, friendly service, retirement education, and information. Public employees and employers make contributions to PERSI. In order to maximize the return on investment of these contributions, only a minimum amount of money is kept on deposit with the State Treasurer. The total source of funds held by the PERSI trust at the master custodian bank is made up of contributions and investment earnings. Money is wired from PERSI's master custodian bank only when funds are needed to pay administrative expenses or other authorized expenses. All moneys transferred to the Administrative Fund are available to the PERSI Board of Directors for the payment of administrative expenses only to the extent so appropriated by the Legislature.

The RETIREMENT ADMINISTRATION program administers the PERSI Base Plan, a defined benefit retirement plan, that is mandatory for all eligible state and school district employees, and for employees of political subdivisions which have elected to participate, and provides separation, disability, death, and survivor benefits. PERSI also administers the Sick Leave Reserve Fund for state and school district retirees, from which monthly medical insurance premiums are paid, as well as the former Firemen's Retirement Fund and the Idaho Falls and Boise City Police Retirement Funds.

The PERSI Choice Plan is a defined contribution retirement plan which provides a 401(k) plan option to all eligible active PERSI members in addition to, and separate from, the defined benefit plan. PERSI established the PERSI Choice Plan as part of the gain sharing program adopted by the 2000 Legislature.

The PORTFOLIO INVESTMENT program is responsible for the management of PERSI assets to ensure secure long-term returns on investments while minimizing investment costs. Administrative costs of the portfolio investment come under a fixed appropriation and the remaining investment costs continue to operate under a perpetual appropriation as provided in Section 59-1311, Idaho Code. Although this section provides that all moneys in this program are perpetually appropriated, pursuant to Section 67-3514, Idaho Code, the Joint Finance-Appropriations Committee appropriates certain administrative expenses and portfolio-related administrative expenses. All other funds are perpetually appropriated and are used as directed by the PERSI Board.

All money in the Judges Retirement Fund (JRF) is perpetually appropriated to pay retired justices and judges and the allowances to surviving spouses (Section 1-2002, Idaho Code). The JRF was moved into PERSI beginning in FY 2015; previous administration of the fund was under the Judicial Branch. Currently, the JRF has approximately 150 active and retired members.

Public Employee Retirement System

Analyst: Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	68.00	0	8,111,700	68.00	0	8,111,700
Removal of Onetime Expenditures	0.00	0	(322,700)	0.00	0	(322,700)
FY 2020 Base	68.00	0	7,789,000	68.00	0	7,789,000
Benefit Costs	0.00	0	19,500	0.00	0	(30,800)
Replacement Items	0.00	0	162,500	0.00	0	162,500
Statewide Cost Allocation	0.00	0	(500)	0.00	0	(500)
Change in Employee Compensation	0.00	0	43,800	0.00	0	134,400
FY 2020 Program Maintenance	68.00	0	8,014,300	68.00	0	8,054,600
1. Oracle Database Upgrade	0.00	0	325,000	0.00	0	325,000
2. Internal Actuary FTP	1.00	0	181,300	0.00	0	0
3. CAFR Software	0.00	0	35,000	0.00	0	35,000
4. Benefits Exposition	0.00	0	50,000	0.00	0	0
5. Onsite Training Center	0.00	0	50,000	0.00	0	50,000
6. Annual Software Licensing	0.00	0	137,200	0.00	0	137,200
7. Investment Officer FTP	1.00	0	144,600	1.00	0	143,900
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	6,100
FY 2020 Total	70.00	0	8,937,400	69.00	0	8,751,800
Change from Original Appropriation	2.00	0	825,700	1.00	0	640,100
% Change from Original Appropriation			10.2%			7.9%

Public Employee Retirement System

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	68.00	0	8,111,700	0	8,111,700

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items (\$165,500 for standard office IT equipment and \$152,200 for software licenses) and onetime portions of lines items (\$5,000 for a new employee computer and workstation) before calculating the FY 2020 Base.

Agency Request	0.00	0	(322,700)	0	(322,700)
Governor's Recommendation	0.00	0	(322,700)	0	(322,700)

FY 2020 Base					
Agency Request	68.00	0	7,789,000	0	7,789,000
Governor's Recommendation	68.00	0	7,789,000	0	7,789,000

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	19,500	0	19,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(30,800)	0	(30,800)
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Replacement Items

In accordance with PERSI's five-year replacement schedule, the agency requests \$162,500 in onetime capital outlay to replace its standard office IT equipment. Of this amount, the Retirement Administration Program requests \$144,500 from the PERSI Administrative Fund and the Portfolio Investment Program requests \$18,000 from the PERSI Special Fund.

Agency Request	0.00	0	162,500	0	162,500
Governor's Recommendation	0.00	0	162,500	0	162,500

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$8,900, risk management costs will increase by \$2,600, State Controller fees will increase by \$3,100, and State Treasurer fees will increase by \$2,700, for a net reduction of \$500.

Agency Request	0.00	0	(500)	0	(500)
Governor's Recommendation	0.00	0	(500)	0	(500)

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	43,800	0	43,800
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$3,200 for that purpose.

Governor's Recommendation	0.00	0	134,400	0	134,400
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FY 2020 Program Maintenance					
Agency Request	68.00	0	8,014,300	0	8,014,300
Governor's Recommendation	68.00	0	8,054,600	0	8,054,600

Public Employee Retirement System

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Oracle Database Upgrade					
Retirement Administration					
The agency requests \$325,000 in onetime capital outlay from the PERSI Administrative Fund to upgrade its Oracle database from the Standard to Enterprise version of the software. This will allow for encryption of data at rest, which refers to data stored in the database as opposed to data in transit across a network, which is a requirement for complying with Critical Security Controls in accordance with the policies and guidelines of the Idaho Technology Authority (ITA) and Director of Information Security. Encrypting data at rest has been identified as a key component to digital security of PERSI records. According to the agency, the software upgrade is the least costly way of upgrading the database, as the alternative would be to replace the underlying database at a cost of approximately \$1.2 million. In addition to encryption, the Enterprise version of the software offers better tools for database optimization, performance tuning and security, and also improved scalability to accommodate future growth.					
Agency Request	0.00	0	325,000	0	325,000
Governor's Recommendation	0.00	0	325,000	0	325,000
2. Internal Actuary FTP					
Retirement Administration					
PERSI requests 1.00 FTP and \$181,300 from the PERSI Administrative Fund to hire an actuary to provide ad hoc analysis of the PERSI fund at a lower cost than contracted actuarial services. Of this amount, \$176,300 is for ongoing personnel costs and \$5,000 is for onetime capital outlay for the new employee's computer and workstation. Pursuant to Section 59-1305(4), Idaho Code, the PERSI Board of Trustees retains an actuary on a consulting basis to perform an annual independent valuation analysis of PERSI's liabilities and reserves. The cost for contracted actuarial services has increased over time as additional analysis has been requested by PERSI's board, staff, and stakeholders to evaluate scenarios based on different assumptions that would affect PERSI's value, amortization period, and contribution rates. From FY 2017 to FY 2018, costs for external actuarial services increased by 51%, or \$180,087, causing PERSI's management team to begin denying requests for additional analysis due to cost. While it is the intent of the agency to continue using external actuaries to provide independent valuation analysis, an internal actuary is requested to address the ad hoc requests that have increased in recent years. Additionally, this position would identify opportunities to utilize external actuarial services more efficiently and effectively and analyze current practices and alternative scenarios to improve the fund as a whole. The agency estimates savings that would more than offset the cost of this employee's salary and benefits while also being able to address more of the requests for actuarial analysis. The base salary requested is \$135,000. This amount is based on a comparison of public sector actuary positions in similar states and is requested to attract a candidate with the preferred qualifications for this position: a minimum of four years' experience with public pension plans and professional designations of Associate of Society of Actuaries (ASA), Enrolled Actuary (EA), and Member of the American Academy of Actuaries (MAAA).					
Agency Request	1.00	0	181,300	0	181,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. CAFR Software					
Retirement Administration					
PERSI requests \$35,000 in ongoing operating expenditures from the PERSI Administrative Fund for annual licensing costs of software to produce the agency's annual financial report. The publication contains numerous tables and schedules throughout the financial, investment, actuarial, and statistical sections of the document. Currently, these tables are created and edited in Excel and imported into Word documents. There are multiple contributors and editors making it difficult to ensure version control and accuracy of data as numbers and figures are updated manually throughout the document. Software designed to produce Comprehensive Annual Financial Reports (CAFRs) would automate this process, ensuring accurate and timely publication of the report.					
Agency Request	0.00	0	35,000	0	35,000
Governor's Recommendation	0.00	0	35,000	0	35,000

Public Employee Retirement System

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Benefits Exposition					
Retirement Administration					
PERSI requests \$50,000 in ongoing operating expenditures from the PERSI Administrative Fund for an annual Benefits Exposition to provide training and outreach to its members. The event is based on the Oregon PERS Expo, which has reported success in reaching more of its membership through the event for training and service. Costs are estimated using a scaled down version of the Oregon Expo's actual expenditures over the past three years.					
Agency Request	0.00	0	50,000	0	50,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
5. Onsite Training Center					
Retirement Administration					
PERSI requests \$50,000 in onetime capital outlay from the PERSI Administrative Fund to furnish an onsite training center on the first floor of its Boise office. The agency has implemented several internal departmental moves within its building that will free up space on the first floor that can be dedicated to member training and outreach. Costs include furniture, fixtures, and audio/visual equipment.					
Agency Request	0.00	0	50,000	0	50,000
Governor's Recommendation	0.00	0	50,000	0	50,000
6. Annual Software Licensing					
Retirement Administration, Portfolio Investment					
PERSI requests \$137,200 in ongoing operating expenditures for its annual Microsoft software licenses. The costs will be split proportionally between the Retirement Administration Program (\$135,000 from the PERSI Administrative Fund) and Portfolio Investment Program (\$2,200 from the PERSI Special Fund). These costs have been requested and funded as onetime replacement items for the past several years, but since they remain steady annual costs they are now being requested as an ongoing line item.					
Agency Request	0.00	0	137,200	0	137,200
Governor's Recommendation	0.00	0	137,200	0	137,200
7. Investment Officer FTP					
Portfolio Investment					
PERSI requests \$144,600 ongoing to hire a third investment officer for its Portfolio Investment Program. Of this amount, \$133,600 is for ongoing personnel costs and \$11,000 is for ongoing operating expenditures for the employee's annual travel and registration costs. The Portfolio Investment Program staff currently consists of a chief investment officer, an investment officer, and an administrative assistant who are responsible for investment, monitoring, oversight, and reporting on \$17.7 billion in fund assets. The additional position is requested to assist with these tasks and also to maintain engagement with contacts in the industry as well as analyze and assess new and existing investment vehicles, strategies, regulations, and operational requirements. The base salary requested is \$100,000. This amount is based on similar positions within the state and aims to attract a competitive candidate.					
Agency Request	1.00	0	144,600	0	144,600
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	0	143,900	0	143,900
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	6,100	0	6,100
FY 2020 Total					
Agency Request	70.00	0	8,937,400	0	8,937,400
Governor's Recommendation	69.00	0	8,751,800	0	8,751,800
Agency Request					
Change from Original App	2.00	0	825,700	0	825,700
% Change from Original App	2.9%		10.2%		10.2%
Governor's Recommendation					
Change from Original App	1.00	0	640,100	0	640,100
% Change from Original App	1.5%		7.9%		7.9%

Office of Species Conservation

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,288,400	1,187,100	1,397,200	1,405,400	1,419,800
Dedicated	15,000	700	15,000	15,000	21,100
Federal	12,828,100	11,352,400	12,832,800	13,480,200	13,485,200
Total:	14,131,500	12,540,200	14,245,000	14,900,600	14,926,100
Percent Change:		(11.3%)	13.6%	4.6%	4.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,105,300	942,900	1,283,400	1,299,100	1,311,400
Operating Expenditures	1,026,200	942,900	955,200	961,500	974,700
Capital Outlay	0	5,700	6,400	0	0
Trustee/Benefit	12,000,000	10,648,700	12,000,000	12,640,000	12,640,000
Total:	14,131,500	12,540,200	14,245,000	14,900,600	14,926,100
Full-Time Positions (FTP)	12.63	12.63	14.00	14.00	14.00

Division Description

The Office of Species Conservation was created in 2000 with the addition of Section 67-818, Idaho Code. The new law established an agency within the Office of the Governor for the purpose of: 1) providing coordination and cooperation among and between various state and federal agencies with responsibilities for species management under the Endangered Species Act (ESA); 2) developing an integrated state policy toward those species; 3) soliciting and reviewing scientific information; 4) negotiating and implementing conservation plans and agreements; 5) providing the resources and authority necessary to recommend an appropriate management plan for species that may be delisted under the ESA; and 6) facilitating the development and use of federal and state programs and incentives to provide protections for nonfederal landowners willing to assist in the management of federally listed endangered species, threatened species, and petitioned species.

THE OFFICE OF SPECIES CONSERVATION STRATEGIC PLAN STATES:

MISSION

To coordinate policies and programs related to the conservation of threatened, endangered, and candidate species in Idaho.

VISION

The Governor's Office of Species Conservation is dedicated to planning, coordinating, and implementing the state's actions to preserve, protect, and restore species listed as threatened and endangered under the federal ESA. This work will be done through coordination with the state natural resource agencies and with the input of the citizens of Idaho, while taking into consideration the economic vitality of the state.

PRINCIPLES AND VALUES

1. Rely upon science and common sense in developing conservation programs.
2. Involve all parties impacted by recovery decisions.
3. Understand and incorporate Idaho values into conservation measures.
4. Incorporate the state's need for economic vitality into considerations for species recovery.

GOALS

1. Coordinate federal ESA programs with state agencies.
2. Solicit, provide oversight, and delegate funding for ESA programs.
3. Negotiate agreements with federal agencies concerning endangered species.
4. Establish superior constituent services for state, federal, and private stakeholders seeking assistance with ESA issues.

Office of Species Conservation

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	14.00	1,397,200	14,245,000	14.00	1,397,200	14,245,000
Removal of Onetime Expenditures	0.00	(6,400)	(6,400)	0.00	(6,400)	(6,400)
FY 2020 Base	14.00	1,390,800	14,238,600	14.00	1,390,800	14,238,600
Benefit Costs	0.00	2,400	4,600	0.00	(1,600)	(4,400)
Statewide Cost Allocation	0.00	6,300	6,300	0.00	6,300	6,300
Change in Employee Compensation	0.00	5,900	11,100	0.00	17,200	32,400
FY 2020 Program Maintenance	14.00	1,405,400	14,260,600	14.00	1,412,700	14,272,900
1. Salmon Habitat Grant	0.00	0	640,000	0.00	0	640,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	1,100
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	5,000
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	7,100	7,100
FY 2020 Total	14.00	1,405,400	14,900,600	14.00	1,419,800	14,926,100
Change from Original Appropriation	0.00	8,200	655,600	0.00	22,600	681,100
% Change from Original Appropriation		0.6%	4.6%		1.6%	4.8%

Office of Species Conservation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	14.00	1,397,200	15,000	12,832,800	14,245,000

Removal of Onetime Expenditures

This adjustment removes onetime funding that was provided for office equipment for the financial specialist and phone replacements.

Agency Request	0.00	(6,400)	0	0	(6,400)
Governor's Recommendation	0.00	(6,400)	0	0	(6,400)

FY 2020 Base					
Agency Request	14.00	1,390,800	15,000	12,832,800	14,238,600
Governor's Recommendation	14.00	1,390,800	15,000	12,832,800	14,238,600

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	2,400	0	2,200	4,600
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(1,600)	0	(2,800)	(4,400)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$300, State Controller fees will increase by \$100, and State Treasurer fees will increase by \$100, for a net increase of \$500.

This request also includes \$5,800 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for those agencies in the Capitol Mall and state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated with the Capitol Mall, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 19.7%.

Agency Request	0.00	6,300	0	0	6,300
Governor's Recommendation	0.00	6,300	0	0	6,300

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	5,900	0	5,200	11,100
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	17,200	0	15,200	32,400
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FY 2020 Program Maintenance					
Agency Request	14.00	1,405,400	15,000	12,840,200	14,260,600
Governor's Recommendation	14.00	1,412,700	15,000	12,845,200	14,272,900

Office of Species Conservation

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Salmon Habitat Grant					
The agency requests \$640,000 ongoing in federal trustee and benefit payments to reflect the potential award of a \$1.6 million grant from the U.S. Bureau of Reclamation (BOR). This funding would be used to access and prioritize habitat projects in the Upper Salmon River through biological and physical data collection and analysis. The grant, if awarded, would span five years; however, the structure of the grant allows for prefunding and utilization over a shorter period. The agency anticipates that the grant could be used within 30 months at a rate of \$53,000 per month, annualized to \$640,000. Should this grant not be awarded, the agency would revert the appropriation and there would be a base reduction in FY 2021.					
Agency Request	0.00	0	0	640,000	640,000
Governor's Recommendation	0.00	0	0	640,000	640,000
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.					
Governor's Recommendation	0.00	0	1,100	0	1,100
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
The Governor recommends onetime funding to provide security of state information that is used on mobile technology.					
Governor's Recommendation	0.00	0	5,000	0	5,000
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.					
Governor's Recommendation	0.00	7,100	0	0	7,100
FY 2020 Total					
Agency Request	14.00	1,405,400	15,000	13,480,200	14,900,600
Governor's Recommendation	14.00	1,419,800	21,100	13,485,200	14,926,100
Agency Request					
Change from Original App	0.00	8,200	0	647,400	655,600
% Change from Original App	0.0%	0.6%	0.0%	5.0%	4.6%
Governor's Recommendation					
Change from Original App	0.00	22,600	6,100	652,400	681,100
% Change from Original App	0.0%	1.6%	40.7%	5.1%	4.8%

STEM Action Center

Analyst: Jessup

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	4,489,500	4,484,000	2,575,900	4,575,300	2,586,400
Dedicated	2,100,300	1,535,700	2,100,700	2,106,200	2,110,400
Total:	6,589,800	6,019,700	4,676,600	6,681,500	4,696,800
Percent Change:		(8.7%)	(22.3%)	42.9%	0.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	395,300	390,200	492,400	570,300	576,100
Operating Expenditures	4,189,900	3,603,400	4,178,000	4,106,200	4,115,700
Capital Outlay	4,600	7,100	6,200	5,000	5,000
Trustee/Benefit	2,000,000	2,019,000	0	2,000,000	0
Total:	6,589,800	6,019,700	4,676,600	6,681,500	4,696,800
Full-Time Positions (FTP)	4.00	4.00	6.00	6.00	6.00

Division Description

The Science, Technology, Engineering, and Math (STEM) Action Center was created under the Office of the Governor through H302 of 2015 to promote the expansion of student engagement in STEM activities. The requirements, goals, and objectives of the STEM Action Center include: 1) coordination of all state departments and divisions on STEM-related activities; 2) promotion of STEM through best practices in education; 3) support of high-quality professional development for educators; 4) facilitation of STEM-related competitions, science fairs, camps, and student programs; and 5) engagement of private industry in the development and maintenance of STEM Action Center projects. [Section 67-823, Idaho Code].

The goal of STEM Action Center is to produce a competitive STEM-ready workforce with the skill set needed to ensure Idaho's long-term economic prosperity. STEM Action Center seeks to coordinate with other agencies to promote the advancement of STEM, including the Office of the State Board of Education, the State Department of Education, Career-Technical Education, the Departments of Labor and Commerce, the Workforce Development Council, as well as schools, educators, students and their parents, and the community at large, including after-school STEM programs, STEM camps, and public libraries. STEM Action Center also works closely with Idaho businesses and industries to create partnerships through mentorships, internships, awareness events, and sponsorship opportunities. Career fairs and community STEM events allow students and communities to interact with industry professionals and provide real-world experiences to inspire students to pursue higher-level STEM coursework and/or STEM careers.

STEM Action Center

Agency Profile

Analyst: Jessup

Fund Name & Description

1. General Fund (0001)

The General Fund consists of, "moneys received into the treasury and not specially appropriated to any other fund" (Section 67-1205, Idaho Code). Moneys are used for personnel costs, operating expenditures, and as match for non-state funding opportunities.

2. STEM Education Fund (0240)

The STEM Education Fund serves to receive money from industry and other entities to support STEM and computer science opportunities and expand the reach and fund-raising abilities of the STEM Action Center.

3. Miscellaneous Revenue Fund (0349)

This fund has served primarily to support the INDEEDS (Industries Excellent Educators Dedicated to STEM) award by accepting industry sponsorships for this award.

Key Services and Activities

Pursuant to Section 67-823, Idaho Code, the STEM Action Center is directed to five broad areas of service including:

- Student learning and achievement (targeting underrepresented populations);
- Student access to STEM, including equity issues;
- Teacher professional development and opportunities;
- College and career STEM pathways; and
- Industry and workforce needs.

	FY2016	FY2017	FY2018	FY2019 <i>Anticipated</i>
Students served through STEM AC opportunities	10,428	204,000	406,239	406,239
Educators who received support from STEM AC	1,200	4,800	12,633	12,633
Community STEM and Career Events	35	140	143	145
Total number of grant opportunities offered	3	12	35	35
Industry contributions and donations (cash)	\$ 72,000	\$ 205,000	\$ 736,928	\$ 1,000,000
Industry contributions and donations (in-kind)	\$ 1	\$ 662,000	\$ 1,742,217	\$ 1,700,000
Number of newsletter subscribers	1,500	4,300	4,768	5,000
Percentage of applicants receiving funding	22.0%	70.0%	67.0%	70.0%

STEM Action Center

Analyst: Jessup

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	6.00	2,575,900	4,676,600	6.00	2,575,900	4,676,600
1. Approp for private contributions	0.00	0	1,000,000	0.00	0	1,000,000
FY 2019 Total Appropriation	6.00	2,575,900	5,676,600	6.00	2,575,900	5,676,600
Removal of Onetime Expenditures	0.00	(7,500)	(1,007,500)	0.00	(7,500)	(1,007,500)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	6.00	2,568,400	4,669,100	6.00	2,568,400	4,669,100
Benefit Costs	0.00	1,900	1,900	0.00	(1,300)	(1,300)
Statewide Cost Allocation	0.00	600	1,100	0.00	600	1,100
Change in Employee Compensation	0.00	4,400	4,400	0.00	13,100	13,100
FY 2020 Program Maintenance	6.00	2,575,300	4,676,500	6.00	2,580,800	4,682,000
1. Computer Science Initiative	0.00	2,000,000	2,000,000	0.00	1,000,000	1,000,000
2. Object Tranfers for Analyst Position	0.00	0	5,000	0.00	0	5,000
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	500
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	3,700
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	5,600	5,600
Cash Transfers	0.00	0	0	0.00	(1,000,000)	(1,000,000)
FY 2020 Total	6.00	4,575,300	6,681,500	6.00	2,586,400	4,696,800
Change from Original Appropriation	0.00	1,999,400	2,004,900	0.00	10,500	20,200
% Change from Original Appropriation		77.6%	42.9%		0.4%	0.4%

STEM Action Center

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	6.00	2,575,900	2,100,700	0	4,676,600

1. Approp for private contributions

The agency requests an additional \$1,000,000 from the STEM Education Fund to accommodate anticipated private contributions to the agency. In FY 2019, the Legislature appropriated \$2,000,000 onetime from the STEM Education Fund, a dedicated fund. The Legislature also appropriated \$2,000,000 onetime from the General Fund for the computer science initiative via a line item, which was transferred to the STEM Education Fund as a cash transfer. The combination of these actions resulted in the agency having sufficient authority to spend the moneys for the computer science initiative, but not sufficient authority to spend for cash that may otherwise come into the STEM Education Fund. In previous fiscal years, the STEM Action Center has received a growing amount of private contributions from the business sector. STEM Action Center anticipates receiving private contributions to the STEM Education Fund, and requests sufficient authority to spend these contributions. Contributions are not expected to exceed \$1,000,000, and are onetime in nature. This request would increase the total FY 2019 appropriation for the STEM Education Fund to \$3,000,000, of which \$1,000,000 is onetime.

Agency Request	0.00	0	1,000,000	0	1,000,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>1,000,000</i>	<i>0</i>	<i>1,000,000</i>

FY 2019 Total Appropriation					
Agency Request	6.00	2,575,900	3,100,700	0	5,676,600
<i>Governor's Recommendation</i>	<i>6.00</i>	<i>2,575,900</i>	<i>3,100,700</i>	<i>0</i>	<i>5,676,600</i>

Removal of Onetime Expenditures

The agency requests to remove onetime appropriations for FY 2019 line items that were for computer science grants and capital outlay.

Agency Request	0.00	(7,500)	(1,000,000)	0	(1,007,500)
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(7,500)</i>	<i>(1,000,000)</i>	<i>0</i>	<i>(1,007,500)</i>

Base Adjustments

The agency requests a transfer of 1.00 FTP from the General Fund to the dedicated STEM Education Fund. This request nets to zero and does not include the movement of any funds.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

FY 2020 Base					
Agency Request	6.00	2,568,400	2,100,700	0	4,669,100
<i>Governor's Recommendation</i>	<i>6.00</i>	<i>2,568,400</i>	<i>2,100,700</i>	<i>0</i>	<i>4,669,100</i>

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	1,900	0	0	1,900
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(1,300)</i>	<i>0</i>	<i>0</i>	<i>(1,300)</i>
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STEM Action Center

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. State Controller fees will increase by \$600, State Treasurer fees will increase by \$300, and risk management fees will increase by \$200, for a net increase of \$1,100.

Agency Request	0.00	600	500	0	1,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>600</i>	<i>500</i>	<i>0</i>	<i>1,100</i>

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	4,400	0	0	4,400
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>13,100</i>	<i>0</i>	<i>0</i>	<i>13,100</i>
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FY 2020 Program Maintenance

Agency Request	6.00	2,575,300	2,101,200	0	4,676,500
<i>Governor's Recommendation</i>	<i>6.00</i>	<i>2,580,800</i>	<i>2,101,200</i>	<i>0</i>	<i>4,682,000</i>

1. Computer Science Initiative

The agency requests \$2,000,000 ongoing from the General Fund to support the Computer Science (CS) Initiative pursuant to Section 33-1633, Idaho Code. This initiative promotes and supports increased CS activities in schools and communities, and will support the needs of educators and industry in the form of grants, outreach, and research. Opportunities supported by this initiative would include regional STEM fairs, grants to schools for CS related activities and projects, device and software grants for schools, scholarships for students to attend CS camps, and professional development for teachers. Since the beginning of the CS Initiative, the agency reports over 8,500 educator contacts through professional development and nearly 130,000 student interactions that expose young Idahoans to CS thinking and learning opportunities. In FY 2018 and FY 2019, the Legislature appropriated moneys for this line item as onetime from the General Fund. In FY 2019, these moneys were appropriated and were also part of a cash transfer from the General Fund to the STEM Education Fund, a dedicated fund. The agency requests that these moneys be made ongoing to sustain program momentum and attract industry partnership.

Agency Request	0.00	2,000,000	0	0	2,000,000
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Recommended by the Governor in the amount of \$1,000,000 onetime from the General Fund.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>1,000,000</i>	<i>0</i>	<i>0</i>	<i>1,000,000</i>
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2. Object Tranfers for Analyst Position

The agency requests \$5,000 from the STEM Education Fund for a data and outcomes research analyst who would be responsible for data collection and analysis, management, and integrated research. Of this request, \$71,600 ongoing would be transferred from operating expenditures to personnel costs and \$5,000 is for onetime capital outlay. Sections 67-823 and 33-1633, Idaho Code, direct STEM Action Center to conduct research and develop best practices for STEM education in the state. The requested analyst would expand the agency's capacity to conduct research and review collected data.

Analyst Note: In FY 2018, STEM Action Center requested 1.00 FTP and moneys from the General Fund to create a Senior Research Analyst position within the agency. The Legislature appropriated 1.00 FTP with encouragement to determine a way to fund the position with dedicated funds. This request does not include a request for FTP as the agency has transferred this existing FTP to the STEM Education Fund for the requested transfer and appropriation.

Agency Request	0.00	0	5,000	0	5,000
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Recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>5,000</i>	<i>0</i>	<i>5,000</i>
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STEM Action Center

Analyst: Jessup

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	500	0	500
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	3,700	0	3,700
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	5,600	0	0	5,600
Cash Transfers					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a revenue adjustment for a cash transfer to the STEM Education Fund for the agency's Computer Science Initiative line item.</i>					
Governor's Recommendation	0.00	(1,000,000)	0	0	(1,000,000)
FY 2020 Total					
Agency Request	6.00	4,575,300	2,106,200	0	6,681,500
Governor's Recommendation	6.00	2,586,400	2,110,400	0	4,696,800
Agency Request					
Change from Original App	0.00	1,999,400	5,500	0	2,004,900
% Change from Original App	0.0%	77.6%	0.3%		42.9%
Governor's Recommendation					
Change from Original App	0.00	10,500	9,700	0	20,200
% Change from Original App	0.0%	0.4%	0.5%		0.4%

Wolf Depredation Control Board

Analyst: Sepich

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	0	765,100	0	0	0
Percent Change:			(100.0%)		
BY OBJECT OF EXPENDITURE					
Operating Expenditures	0	765,100	0	0	0

Division Description

The Legislature passed H470 of 2014 to recognize that additional financial resources were needed to continue the implementation of Idaho's wolf management plan. It established a five-member Wolf Depredation Control Board in the Office of the Governor and created a set of new continuously appropriated funds and subaccounts to be administered by the Department of Agriculture. H470 established that fees from sportsmen and the livestock industry be allocated into the subaccounts with the expectation that the General Fund would also contribute. The responsibility of the Wolf Control Board is to allocate the moneys for control actions approved by the Idaho Fish and Game Commission. The board has a cooperative services agreement and a work plan with Wildlife Services (Section 22-5301, Idaho Code). H470 was set to have Section 22-5301 expire on June 30, 2019, however H538 of 2017 extended this sunset to June 30, 2020.

The Wolf Depredation Control Program acts as a conduit to pass moneys from the state, sportsmen, and livestock producers through the Wolf Depredation Control Board to the Wildlife Services Program under the United States Department of Agriculture Animal and Plant Health Inspection Service. The Fish and Game Commission requires that expenditures from the Fish and Game Transfer Subaccount be spent for the benefit of wild ungulates (hooved animals).

Because Chapter 53, Title 22, Idaho Code, sunsets on June 30, 2020, transfers have been treated as onetime. There is no base budget.

Wolf Depredation Control Board

Analyst: Sepich

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	0	0	0.00	0	0
Noncognizable Funds and Transfers	0.00	0	1,106,500	0.00	0	1,106,500
FY 2019 Estimated Expenditures	0.00	0	1,106,500	0.00	0	1,106,500
Removal of Onetime Expenditures	0.00	0	(1,106,500)	0.00	0	(1,106,500)
FY 2020 Base	0.00	0	0	0.00	0	0
1. Wolf Control Program	0.00	400,000	400,000	0.00	200,000	200,000
Cash Transfers	0.00	(400,000)	(400,000)	0.00	(200,000)	(200,000)
FY 2020 Total	0.00	0	0	0.00	0	0
Change from Original Appropriation	0.00	0	0	0.00	0	0
% Change from Original Appropriation						

Wolf Depredation Control Board

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	0	0	0	0

Noncognizable Funds and Transfers

H470 of 2014 established fees of up to \$110,000 per year for the livestock industry to be matched by sportsmen and allocated into the Wolf Control Fund subaccounts with the expectation that the General Fund would also contribute. All moneys are transferred into continuously appropriated funds for disbursement. Statutory transfers for FY 2018 included \$400,000 from the General Fund, \$121,400 from the livestock industry, and \$93,700 from sportsmen through fees collected by the Department of Fish and Game. After interest and expenditures are accounted for, the fund balance at the end of FY 2018 was \$608,000. The board is estimated to expend \$1,106,500 in FY 2019, and accounting for interest (\$9,200) and transfers from the General Fund (\$400,000), the livestock industry (\$110,000), and sportsmen (\$110,000), the balance at the end of FY 2019 is estimated at \$130,700.

Agency Request	0.00	0	1,106,500	0	1,106,500
<i>Governor's Recommendation</i>	0.00	0	1,106,500	0	1,106,500

FY 2019 Estimated Expenditures					
Agency Request	0.00	0	1,106,500	0	1,106,500
<i>Governor's Recommendation</i>	0.00	0	1,106,500	0	1,106,500

Removal of Onetime Expenditures

This adjustment removes the estimated expenditures to reset the FY 2020 Base to zero.

Agency Request	0.00	0	(1,106,500)	0	(1,106,500)
<i>Governor's Recommendation</i>	0.00	0	(1,106,500)	0	(1,106,500)

FY 2020 Base					
Agency Request	0.00	0	0	0	0
<i>Governor's Recommendation</i>	0.00	0	0	0	0

1. Wolf Control Program

The Wolf Depredation Control Board requests \$400,000 onetime from the General Fund for FY 2020. The responsibility of the board is to use the money for control actions approved by the Idaho Fish and Game Commission when there is a depredation conflict between wolves and wildlife, or between wolves and livestock. The Wolf Depredation Control Program acts as a conduit to pass moneys from the state, sportsmen, and livestock producers through the Wolf Depredation Control Board to the Wildlife Services Program under the United States Department of Agriculture Animal and Plant Health Inspection Service. [Onetime]

Agency Request	0.00	400,000	0	0	400,000
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The Governor recommends a onetime General Fund transfer of \$200,000 for the state's portion of the Wolf Control Program.

<i>Governor's Recommendation</i>	0.00	200,000	0	0	200,000
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Cash Transfers

This adjustment transfers \$400,000 from the General Fund to the continuously appropriated Wolf Control Fund Other Money Subaccount pursuant to Section 22-5305, Idaho Code.

Agency Request	0.00	(400,000)	0	0	(400,000)
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The Governor recommends a onetime General Fund transfer of \$200,000 for the state's portion of the Wolf Control Program.

<i>Governor's Recommendation</i>	0.00	(200,000)	0	0	(200,000)
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FY 2020 Total					
Agency Request	0.00	0	0	0	0
<i>Governor's Recommendation</i>	0.00	0	0	0	0

Wolf Depredation Control Board

Analyst: Sepich

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	0.00	0	0	0	0
% Change from Original App					
Governor's Recommendation					
Change from Original App	0.00	0	0	0	0
% Change from Original App					

Workforce Development Council

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	0	0	8,410,700	8,415,500	8,424,200
Federal	0	0	142,400	143,700	144,800
Total:	0	0	8,553,100	8,559,200	8,569,000
Percent Change:				0.1%	0.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	0	0	471,700	477,800	482,400
Operating Expenditures	0	0	396,900	396,900	402,100
Trustee/Benefit	0	0	7,684,500	7,684,500	7,684,500
Total:	0	0	8,553,100	8,559,200	8,569,000
Full-Time Positions (FTP)	0.00	0.00	5.00	5.00	5.00

Division Description

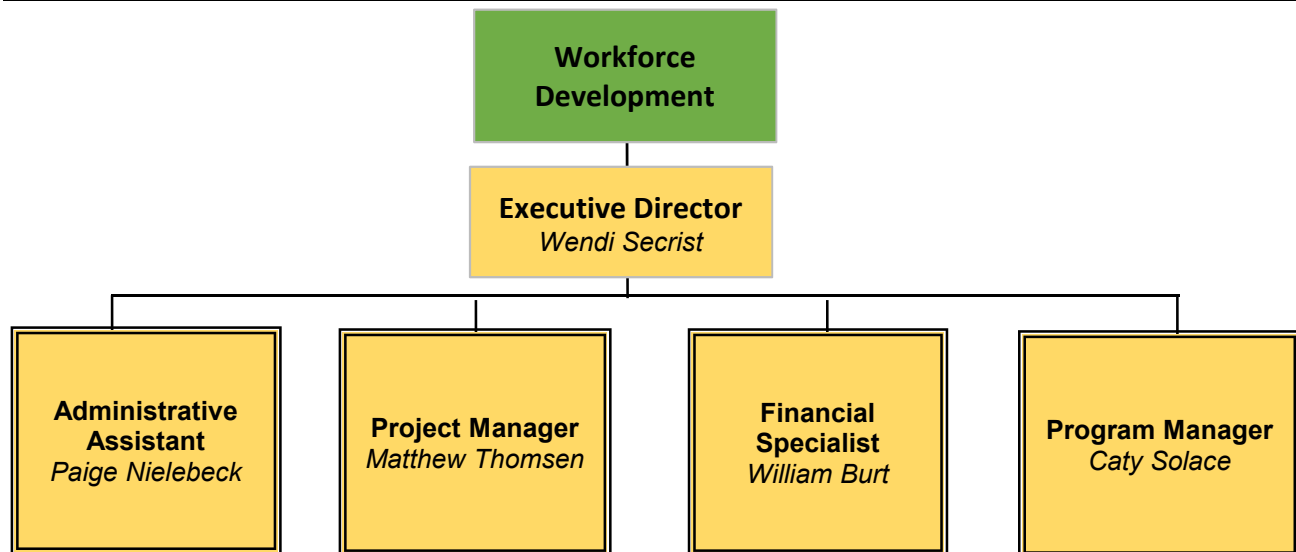
The Workforce Development Council was created under the Office of the Governor through H432 of 2018. The requirements, goals, and objectives of the Workforce Development Council include: 1) increase public awareness of and access to career education and training opportunities; 2) improve the effectiveness, quality, and coordination of programs and services designed to maintain a highly skilled workforce; 3) provide for the most efficient use of federal, state, and local workforce development resources; 4) fulfill the requirements of the State Workforce Investment Board as set forth in the Workforce Opportunity and Innovation Act (WIOA); and 5) develop and oversee procedures, criteria, and performance measures for the Workforce Development Training Fund. [Statutory Authority: Section 72-1201, et. Seq., Idaho Code.]

Workforce Development Council

Agency Profile

Analyst: Bybee

Organizational Chart



The Workforce Development and Training Fund is derived from the diversion of Unemployment Insurance taxes equal to 3% of the taxable wage rate authorized and payable under Section 72-1203, Idaho Code, and maintained separately in the state treasury. Moneys are used to provide or expand training and retraining opportunities for Idaho's workforce along with providing public information and outreach on career education and workforce training opportunities. The council provides four different grant types to employers or colleges and universities for the general purpose of providing employee or future employee training.

Employer grants are available to Idaho employers who are increasing their current workforce and/or retraining existing workers with skills necessary for specific economic opportunities or industrial expansion initiatives.

Industry Sector grants are designed to engage employers in developing new training solutions that address Idaho's workforce issues and fill skills gaps.

Innovation grants fund projects that address local workforce development needs. Projects may provide skills training to individuals and/or assist individuals with connecting to careers. New or enhanced training must address specific employer-identified skills gaps in the community; training cannot supplant or compete with current training opportunities.

Outreach and Communication funding for public information and outreach on career education and workforce training opportunities, including existing education and training programs, and services not funded by the training fund.

Grant Awards and Remaining Balances:

	Award Amount	Current Payments	Remaining Balance
Employer Grants	\$9,594,300	\$2,827,000	\$6,767,300
Industry Sector	\$1,762,000	\$182,300	\$1,579,700
Innovation Grants	\$108,700	\$24,800	\$83,900
Outreach	\$123,000	\$75,500	\$47,500
Total	\$11,588,000	\$3,109,600	\$8,478,400

Workforce Development Council

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	5.00	0	8,553,100	5.00	0	8,553,100
FY 2020 Base	5.00	0	8,553,100	5.00	0	8,553,100
Benefit Costs	0.00	0	1,900	0.00	0	(1,900)
Change in Employee Compensation	0.00	0	4,200	0.00	0	12,600
FY 2020 Program Maintenance	5.00	0	8,559,200	5.00	0	8,563,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	500
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	2,000
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	2,700
FY 2020 Total	5.00	0	8,559,200	5.00	0	8,569,000
Change from Original Appropriation	0.00	0	6,100	0.00	0	15,900
% Change from Original Appropriation			0.1%			0.2%

Workforce Development Council

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	5.00	0	8,410,700	142,400	8,553,100
FY 2020 Base					
Agency Request	5.00	0	8,410,700	142,400	8,553,100
Governor's Recommendation	5.00	0	8,410,700	142,400	8,553,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	1,500	400	1,900
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	0	(1,600)	(300)	(1,900)

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	0	3,300	900	4,200
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	9,900	2,700	12,600

FY 2020 Program Maintenance					
Agency Request	5.00	0	8,415,500	143,700	8,559,200
Governor's Recommendation	5.00	0	8,419,000	144,800	8,563,800

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	500	0	500

GOV TECH 2. Mobile Device Security

Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	2,000	0	2,000

GOV TECH 4. Modernization – Admin Billing

Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	2,700	0	2,700

FY 2020 Total					
Agency Request	5.00	0	8,415,500	143,700	8,559,200
Governor's Recommendation	5.00	0	8,424,200	144,800	8,569,000

Agency Request					
Change from Original App	0.00	0	4,800	1,300	6,100
% Change from Original App	0.0%		0.1%	0.9%	0.1%
Governor's Recommendation					
Change from Original App	0.00	0	13,500	2,400	15,900
% Change from Original App	0.0%		0.2%	1.7%	0.2%

Idaho Legislative Budget Book

Legislative Branch

2019 Legislative Session

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Legislative Services Office	6 - 127
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Redistricting Commission	6 - 139

Legislative Branch

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Legislature	7,380,000	6,854,900	6,755,000	6,755,000	6,755,000
Legislative Services Office	8,812,100	6,640,000	8,061,700	8,010,500	8,088,600
Performance Evaluations, Office of	886,200	886,200	899,500	937,000	947,800
Total:	17,078,300	14,381,100	15,716,200	15,702,500	15,791,400
BY FUND CATEGORY					
General	13,490,300	12,878,600	12,967,200	13,080,300	13,146,300
Dedicated	3,588,000	1,502,500	2,749,000	2,622,200	2,645,100
Total:	17,078,300	14,381,100	15,716,200	15,702,500	15,791,400
Percent Change:		(15.8%)	9.3%	(0.1%)	0.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	7,883,500	7,081,100	7,449,900	7,564,000	7,646,300
Operating Expenditures	1,805,800	438,200	1,509,000	1,362,300	1,368,900
Capital Outlay	9,000	6,900	2,300	21,200	21,200
Lump Sum	7,380,000	6,854,900	6,755,000	6,755,000	6,755,000
Total:	17,078,300	14,381,100	15,716,200	15,702,500	15,791,400
Full-Time Positions (FTP)	73.00	73.00	73.00	73.00	73.00

Department Description

The Legislative Branch consists of the Senate, House of Representatives, and their nonpartisan staff offices overseen by the Legislative Council and the Joint Legislative Oversight Committee. The Legislative Council consists of the President Pro Tempore of the Senate; the Speaker of the House of Representatives; the majority and minority floor leaders of each body; two senators and two representatives selected by members of the majority party; and two senators and two representatives selected by members of the minority party. The council is the governing body over the year-round nonpartisan legislative staff, and has broad powers to conduct research and studies that relate to a legislative purpose. The budgeted divisions under Legislative Council are the Legislative Services Office, Legislative Technology, and the Redistricting Commission. The Office of Performance Evaluations reports to the Joint Legislative Oversight Committee.

Legislature

Analyst: Headlee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	7,380,000	6,854,900	6,755,000	6,755,000	6,755,000
Percent Change:		(7.1%)	(1.5%)	0.0%	0.0%
BY OBJECT OF EXPENDITURE					
Lump Sum	7,380,000	6,854,900	6,755,000	6,755,000	6,755,000

Division Description

Senate and House: The Idaho Legislature is composed of thirty-five senators and seventy representatives from Idaho's thirty-five legislative districts. The membership is elected for two-year terms and meets annually.

The Legislature is funded through a continuous appropriation of \$6,755,000 as provided for in Section 67-451, Idaho Code, which directs the State Controller to transfer money from the General Fund to the Legislative Fund, and provides for a continuing appropriation of these funds. Because these dollars are a direct transfer of General Fund moneys and because the Joint Finance-Appropriations Committee does not appropriate these dollars, the summary data shown above is for informational purposes only.

Section 67-3506, Idaho Code, states that the Governor shall transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.

Legislature

Comparative Summary

Analyst: Headlee

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	6,755,000	6,755,000	0.00	6,755,000	6,755,000
Reappropriation	0.00	525,100	525,100	0.00	525,100	525,100
FY 2019 Total Appropriation	0.00	7,280,100	7,280,100	0.00	7,280,100	7,280,100
Removal of Onetime Expenditures	0.00	(525,100)	(525,100)	0.00	(525,100)	(525,100)
FY 2020 Base	0.00	6,755,000	6,755,000	0.00	6,755,000	6,755,000
FY 2020 Total	0.00	6,755,000	6,755,000	0.00	6,755,000	6,755,000
Change from Original Appropriation	0.00	0	0	0.00	0	0
% Change from Original Appropriation		0.0%	0.0%		0.0%	0.0%

Legislature

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	0.00	6,755,000	0	0	6,755,000

Reappropriation

The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation from the General Fund for legislative interim committees from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	525,100	0	0	525,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>525,100</i>	<i>0</i>	<i>0</i>	<i>525,100</i>

FY 2019 Total Appropriation					
Agency Request	0.00	7,280,100	0	0	7,280,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>7,280,100</i>	<i>0</i>	<i>0</i>	<i>7,280,100</i>

Removal of Onetime Expenditures

This action removes the onetime funding for the 2018 interim committees.

Agency Request	0.00	(525,100)	0	0	(525,100)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(525,100)</i>	<i>0</i>	<i>0</i>	<i>(525,100)</i>

FY 2020 Base					
Agency Request	0.00	6,755,000	0	0	6,755,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>6,755,000</i>	<i>0</i>	<i>0</i>	<i>6,755,000</i>

FY 2020 Total					
Agency Request	0.00	6,755,000	0	0	6,755,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>6,755,000</i>	<i>0</i>	<i>0</i>	<i>6,755,000</i>

Agency Request

Change from Original App	0.00	0	0	0	0
% Change from Original App		0.0%			0.0%

Governor's Recommendation

Change from Original App	0.00	0	0	0	0
% Change from Original App		0.0%			0.0%

Legislative Services Office

Analyst: Headlee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	5,224,100	5,137,500	5,312,700	5,388,300	5,444,200
Dedicated	3,588,000	1,502,500	2,749,000	2,622,200	2,644,400
Total:	8,812,100	6,640,000	8,061,700	8,010,500	8,088,600
Percent Change:		(24.6%)	21.4%	(0.6%)	0.3%
BY OBJECT OF EXPENDITURE					
Personnel Costs	7,089,200	6,259,400	6,611,800	6,697,500	6,769,700
Operating Expenditures	1,713,900	373,700	1,449,900	1,294,600	1,300,500
Capital Outlay	9,000	6,900	0	18,400	18,400
Total:	8,812,100	6,640,000	8,061,700	8,010,500	8,088,600
Full-Time Positions (FTP)	65.00	65.00	65.00	65.00	65.00

Division Description

Pursuant to Section 67-701 through 67-704, Idaho Code, the mission of the Legislative Services Office is to provide efficient, non-partisan support services to Idaho's citizen legislators, to carry out legislative policies so as to strengthen the Legislature's management as a separate branch of government, and to assist the Legislature in carrying out its constitutional responsibilities. The Legislative Services Office strives to modernize the provision of professional staff services to the Legislature, to provide committees and legislators with professional staff support, to increase communication and efficiency, and enhance coordination and productivity within the legislative branch of government. Under the direction of the Director of Legislative Services, the office consists of the Division of Research and Legislation, Division of Budget and Policy Analysis, the Legislative Audit Division, and the Information Technology Division.

Section 67-3506, Idaho Code, states that the Governor shall transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.

Legislative Services Office

Analyst: Headlee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	65.00	5,312,700	8,061,700	65.00	5,312,700	8,061,700
Reappropriation	0.00	0	650,000	0.00	0	650,000
1. Capitol Renovation Costs	0.00	900,000	900,000	0.00	0	0
FY 2019 Total Appropriation	65.00	6,212,700	9,611,700	65.00	5,312,700	8,711,700
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	65.00	6,212,700	9,611,700	65.00	5,312,700	8,711,700
Removal of Onetime Expenditures	0.00	(906,000)	(1,712,000)	0.00	(6,000)	(812,000)
FY 2020 Base	65.00	5,306,700	7,899,700	65.00	5,306,700	7,899,700
Benefit Costs	0.00	20,700	26,800	0.00	(10,300)	(14,100)
Replacement Items	0.00	11,600	18,400	0.00	11,600	18,400
Statewide Cost Allocation	0.00	1,500	1,900	0.00	1,500	1,900
Change in Employee Compensation	0.00	45,400	58,900	0.00	132,300	172,000
FY 2020 Program Maintenance	65.00	5,385,900	8,005,700	65.00	5,441,800	8,077,900
1. Audit Workpaper Software Maintenance	0.00	2,400	4,800	0.00	2,400	4,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	5,900
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	65.00	5,388,300	8,010,500	65.00	5,444,200	8,088,600
Change from Original Appropriation	0.00	75,600	(51,200)	0.00	131,500	26,900
% Change from Original Appropriation		1.4%	(0.6%)		2.5%	0.3%

Legislative Services Office

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	65.00	5,312,700	2,749,000	0	8,061,700

Reappropriation

The agency was authorized to reappropriate or carryover up to \$650,000 of its unencumbered and unspent appropriation from the Professional Services Fund, which receives revenue from audit billing fees to agencies supported by dedicated and federal funds, from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	0	650,000	0	650,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>650,000</i>	<i>0</i>	<i>650,000</i>

1. Capitol Renovation Costs

Legislative Services Office (LSO) is requesting a \$900,000 onetime supplemental appropriation from the General Fund, in capital outlay, for renovation costs on the first floor of the Capitol building. The renovation would convert conference room and copy center space into office space for LSO Audits Division staff. By statute, the Legislative branch controls the first, third, and fourth floors of the Capitol building, as well as the Garden Level and Wings. When the Capitol renovation was completed ten years ago, the initial plan for two-story wings was scaled back to one level. As a result, the available space in the East wing does not accommodate private offices for all House members. The final design included offices for chairmen and cubicle spaces for the remaining House members. With the increased need for privacy, security, and space for staffing, it has become necessary for the House of Representatives to utilize the space currently occupied by Audits Division staff. For this to be accomplished, and to stay on schedule for the 2020 legislative session, an existing conference room and copy center space will need to be renovated this spring, which is the reason for this FY 2019 supplemental request.

Agency Request	0.00	900,000	0	0	900,000
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The Governor makes no recommendation on this request.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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FY 2019 Total Appropriation					
Agency Request	65.00	6,212,700	3,399,000	0	9,611,700
<i>Governor's Recommendation</i>	<i>65.00</i>	<i>5,312,700</i>	<i>3,399,000</i>	<i>0</i>	<i>8,711,700</i>

Noncognizable Funds and Transfers

This request realigns 0.25 FTP from the Miscellaneous Revenue Fund to the General Fund, and nets to a zero increase in FTP.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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FY 2019 Estimated Expenditures					
Agency Request	65.00	6,212,700	3,399,000	0	9,611,700
<i>Governor's Recommendation</i>	<i>65.00</i>	<i>5,312,700</i>	<i>3,399,000</i>	<i>0</i>	<i>8,711,700</i>

Removal of Onetime Expenditures

This action removes onetime amounts for eight laptop computers, carryover of dedicated funding from FY 2018 into FY 2019, funding for LSO to hire a technology advisor, and the supplemental appropriation of \$900,000 for Capitol renovation costs.

Agency Request	0.00	(906,000)	(806,000)	0	(1,712,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(6,000)</i>	<i>(806,000)</i>	<i>0</i>	<i>(812,000)</i>

FY 2020 Base					
Agency Request	65.00	5,306,700	2,593,000	0	7,899,700
<i>Governor's Recommendation</i>	<i>65.00</i>	<i>5,306,700</i>	<i>2,593,000</i>	<i>0</i>	<i>7,899,700</i>

Legislative Services Office

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.					
Agency Request	0.00	20,700	6,100	0	26,800
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(10,300)	(3,800)	0	(14,100)
Replacement Items					
This request includes \$18,400 onetime for the replacement of eight laptop computers and eight monitors for the Audits Division and three laptop computers for the Research and Legislation Division. Of this amount \$11,600 is from the General Fund and \$6,800 is from the dedicated Professional Services Fund.					
Agency Request	0.00	11,600	6,800	0	18,400
Governor's Recommendation	0.00	11,600	6,800	0	18,400
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. State Controller fees will increase by \$1,800 and State Treasurer fees will increase by \$100 for a net increase of \$1,900.					
Agency Request	0.00	1,500	400	0	1,900
Governor's Recommendation	0.00	1,500	400	0	1,900
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	45,400	13,500	0	58,900
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	132,300	39,700	0	172,000
FY 2020 Program Maintenance					
Agency Request	65.00	5,385,900	2,619,800	0	8,005,700
Governor's Recommendation	65.00	5,441,800	2,636,100	0	8,077,900
1. Audit Workpaper Software Maintenance					
This request is for \$4,800 ongoing to cover increased costs for the ongoing maintenance and software agreements for the electronic workpapers for the Audit Division that were purchased in FY2016. The updates ensure that our workpapers comply with auditing standards as they change from year to year. Of this amount, \$2,400 is from the General Fund and \$2,400 is from the dedicated Professional Services Fund.					
Agency Request	0.00	2,400	2,400	0	4,800
<i>As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.</i>					
Governor's Recommendation	0.00	2,400	2,400	0	4,800
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	5,900	0	5,900

Legislative Services Office

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Budget Law Exemptions					
LUMP SUM: The agency requests an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation between programs and among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
CARRYOVER: The agency requests authority to carry over up to \$650,000 of personnel costs that are unencumbered and unspent from the Professional Services Fund from FY 2019 into FY 2020. Carryover requires legislative approval.					
Agency Request	0.00	0	0	0	0
<i>As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	65.00	5,388,300	2,622,200	0	8,010,500
Governor's Recommendation	65.00	5,444,200	2,644,400	0	8,088,600
Agency Request					
Change from Original App	0.00	75,600	(126,800)	0	(51,200)
% Change from Original App	0.0%	1.4%	(4.6%)		(0.6%)
Governor's Recommendation					
Change from Original App	0.00	131,500	(104,600)	0	26,900
% Change from Original App	0.0%	2.5%	(3.8%)		0.3%

Office of Performance Evaluations

Analyst: Headlee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	886,200	886,200	899,500	937,000	947,100
Dedicated	0	0	0	0	700
Total:	886,200	886,200	899,500	937,000	947,800
Percent Change:		0.0%	1.5%	4.2%	5.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	794,300	821,700	838,100	866,500	876,600
Operating Expenditures	91,900	64,500	59,100	67,700	68,400
Capital Outlay	0	0	2,300	2,800	2,800
Total:	886,200	886,200	899,500	937,000	947,800
Full-Time Positions (FTP)	8.00	8.00	8.00	8.00	8.00

Division Description

The Office of Performance Evaluations (OPE) is a nonpartisan legislative office that promotes accountability and confidence in state government (Sections 67-457 through 67-464, Idaho Code). OPE staff works under the general direction of the Joint Legislative Oversight Committee (JLOC), which consists of an equal number of legislators from both political parties and both houses.

The office conducts independent, objective, in-depth, and timely performance evaluations of state agencies, programs, and functions. OPE staff report evaluation results and recommendations to:

- JLOC and other legislative committees to assist them in making policy and budgetary decisions; and
- State agencies to help them improve their operational efficiency and program effectiveness.

OPE evaluations help:

- Ensure compliance with state laws and legislative intent;
- Improve government performance and accountability to the public; and
- Identify cost savings and opportunities to avoid unnecessary future costs.

Section 67-3506, Idaho Code, states that the Governor shall transmit the budget requests of the legislative and judicial departments to the Legislature as they were submitted by the departments.

Office of Performance Evaluations

Analyst: Headlee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	8.00	899,500	899,500	8.00	899,500	899,500
Removal of Onetime Expenditures	0.00	(2,300)	(2,300)	0.00	(2,300)	(2,300)
FY 2020 Base	8.00	897,200	897,200	8.00	897,200	897,200
Benefit Costs	0.00	3,200	3,200	0.00	(1,800)	(1,800)
Replacement Items	0.00	2,800	2,800	0.00	2,800	2,800
Statewide Cost Allocation	0.00	400	400	0.00	400	400
Change in Employee Compensation	0.00	7,400	7,400	0.00	22,500	22,500
FY 2020 Program Maintenance	8.00	911,000	911,000	8.00	921,100	921,100
2. Ongoing Personnel Funding	0.00	17,800	17,800	0.00	17,800	17,800
3. LexisNexis Annual Subscription	0.00	5,600	5,600	0.00	5,600	5,600
4. Software Maintenance Costs	0.00	2,600	2,600	0.00	2,600	2,600
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	700
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	8.00	937,000	937,000	8.00	947,100	947,800
Change from Original Appropriation	0.00	37,500	37,500	0.00	47,600	48,300
% Change from Original Appropriation		4.2%	4.2%		5.3%	5.4%

Office of Performance Evaluations

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	8.00	899,500	0	0	899,500

Removal of Onetime Expenditures

This action removes onetime funding for replacement items purchased in FY 2019.

Agency Request	0.00	(2,300)	0	0	(2,300)
Governor's Recommendation	0.00	(2,300)	0	0	(2,300)

FY 2020 Base	8.00	897,200	0	0	897,200
Agency Request	8.00	897,200	0	0	897,200
Governor's Recommendation	8.00	897,200	0	0	897,200

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	3,200	0	0	3,200
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(1,800)	0	0	(1,800)
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Replacement Items

Replacement items include \$2,400 for one highend laptop/tablet computer and \$400 for one Adobe Acrobat license.

Agency Request	0.00	2,800	0	0	2,800
Governor's Recommendation	0.00	2,800	0	0	2,800

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Currently, there is \$3,100 in the Base. Risk management costs will decrease by \$100, the State Controller fees will increase by \$100, and Office of Information Technology Services billing for Internet/state security costs and IT/communication costs will increase by \$400 for a net increase of \$400.

Agency Request	0.00	400	0	0	400
Governor's Recommendation	0.00	400	0	0	400

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	7,400	0	0	7,400
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	22,500	0	0	22,500
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FY 2020 Program Maintenance	8.00	911,000	0	0	911,000
Agency Request	8.00	911,000	0	0	911,000
Governor's Recommendation	8.00	921,100	0	0	921,100

Office of Performance Evaluations

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Ongoing Personnel Funding					
This request is for \$17,800 ongoing from the General Fund for personnel costs to promote an existing evaluator and to increase the rate of pay for an evaluator at entry-level. According to the agency, the skills that each evaluator brings to the office are hard to find, especially at their current pay rate and their contributions and experience justify the promotions and pay increases. However, the personnel budget does not have dollars in its base.					
Agency Request	0.00	17,800	0	0	17,800
<i>As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.</i>					
Governor's Recommendation	0.00	17,800	0	0	17,800
3. LexisNexis Annual Subscription					
This request is for \$5,600 ongoing in operating expenditures from the General Fund for six annual subscriptions to LexisNexis. LexisNexis is a database for federal and state statutes and legislation, legal cases and news, administrative codes and regulations, and administrative agency materials. The database will help evaluators identify what legal statutes exist in other states. Six evaluators will use the database to research evaluations assigned by the Joint Legislative Oversight Committee. There is no funding in the base for this request.					
Agency Request	0.00	5,600	0	0	5,600
<i>As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.</i>					
Governor's Recommendation	0.00	5,600	0	0	5,600
4. Software Maintenance Costs					
This request is for \$2,600 in ongoing operating expenditures from the General Fund for annual maintenance costs of software. Because the IT industry is moving to annual maintenance costs instead of licenses, funding would be used for the maintenance of Office 365; Survey Gizmo, an online survey software; Tableau, a data analysis and visualization tool; ArcGIS, which allows for mapping and spatial reasoning; Adobe InDesign, a desktop publishing tool; and Arbboxtext, which interfaces with GEMS and the Legislative website.					
Agency Request	0.00	2,600	0	0	2,600
<i>As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.</i>					
Governor's Recommendation	0.00	2,600	0	0	2,600
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	700	0	700
Budget Law Exemptions					
LUMP SUM: The agency requests an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation between programs and among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
Agency Request	0.00	0	0	0	0
<i>As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	8.00	937,000	0	0	937,000
Governor's Recommendation	8.00	947,100	700	0	947,800

Office of Performance Evaluations

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<i>Agency Request</i>					
Change from Original App	0.00	37,500	0	0	37,500
% Change from Original App	0.0%	4.2%			4.2%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	47,600	700	0	48,300
% Change from Original App	0.0%	5.3%			5.4%

Redistricting Commission

Analyst: Headlee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Redistricting	0	0	0	0	0
BY FUND CATEGORY					
General	0	0	0	0	0
Dedicated	0	0	0	0	0
Federal	0	0	0	0	0
Total:	0	0	0	0	0
Percent Change:	0.0%	0.0%	0.0%	0.0%	0.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	0	0	0	0	0
Operating Expenditures	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Trustee/Benefit	0	0	0	0	0
Lump Sum	0	0	0	0	0
Total:	0	0	0	0	0
Full-Time Positions (FTP)	0.00	0.00	0.00	0.00	0.00

Division Description

The constitutions of both the United States and the state of Idaho require that congressional and legislative district boundaries be redrawn after each decennial census to equalize the population among districts and ensure that every citizen's vote carries the same weight, supporting the principle of "one person one vote." From statehood until 1994, when the Idaho Constitution was amended to establish a six-person, bipartisan Commission on Redistricting, the new district lines were drawn by the Legislature after each census. Beginning with the 2000 census, that responsibility was delegated to the Redistricting Commission. The Redistricting Commission is mandated to fulfill its statutory responsibilities of drawing new legislative and congressional districts. In accordance with Section 72-1507, Idaho Code, the Legislative Council shall furnish secretarial and other staff assistance as the commission requires in the performance of its duties. This support is furnished through the Legislative Services Office under the direction of Legislative Council.

Redistricting Commission

Analyst: Headlee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	0	0	0.00	0	0
2. Redistricting Costs	0.00	45,000	45,000	0.00	0	0
FY 2019 Total Appropriation	0.00	45,000	45,000	0.00	0	0
Removal of Onetime Expenditures	0.00	(45,000)	(45,000)	0.00	0	0
FY 2020 Base	0.00	0	0	0.00	0	0
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	0.00	0	0	0.00	0	0
Change from Original Appropriation	0.00	0	0	0.00	0	0
% Change from Original Appropriation						

Redistricting Commission

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	0	0	0	0

2. Redistricting Costs

The Redistricting Commission is requesting \$45,000 onetime in operating expenditures from the General Fund to hire a GIS contractor to assist with providing data to the US Census Bureau in preparation for the decennial census. The contractor will be responsible for converting county voting districts (precincts) to US Census geographic boundary files and providing that information to the Census Bureau. Section 72-1506 (7), Idaho Code, requires that district boundaries retain the local voting precinct boundary lines to the extent those lines comply with Section 34-306, Idaho Code, et al.

Legislative staff explored using existing state resources through the Office of Information Technology Services (OITS) for this task, but by last summer it became clear that the necessary resources were not available. Therefore, a supplemental appropriation is necessary to ensure the Redistricting Commission receives timely data from the Census Bureau by spring of 2021 to accurately build Congressional and Legislative Districts.

Agency Request	0.00	45,000	0	0	45,000
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The Governor makes no recommendation on this request.

Governor's Recommendation	0.00	0	0	0	0
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FY 2019 Total Appropriation					
Agency Request	0.00	45,000	0	0	45,000
Governor's Recommendation	0.00	0	0	0	0

Removal of Onetime Expenditures

This action removes the \$45,000 for GIS contractor services.

Agency Request	0.00	(45,000)	0	0	(45,000)
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Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Base					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

Budget Law Exemptions

CARRYOVER: The agency requests authority to carry over the unencumbered and unspent portion of the General Fund supplemental appropriation for redistricting work, from FY 2019 into FY 2020. Carryover requires legislative approval.

Agency Request	0.00	0	0	0	0
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As required by Section 67-3506, Idaho Code, the Governor makes no recommendation and is transmitting the budget request to the Legislature as it was submitted.

Governor's Recommendation	0.00	0	0	0	0
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FY 2020 Total					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

Agency Request

Change from Original App	0.00	0	0	0	0
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% Change from Original App

Governor's Recommendation

Change from Original App	0.00	0	0	0	0
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% Change from Original App

Lieutenant Governor

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	172,900	169,100	177,600	181,000	182,600
Dedicated	0	0	0	0	1,200
Total:	172,900	169,100	177,600	181,000	183,800
Percent Change:		(2.2%)	5.0%	1.9%	3.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	160,500	147,800	162,900	166,700	166,900
Operating Expenditures	12,400	21,300	14,000	14,300	16,900
Capital Outlay	0	0	700	0	0
Total:	172,900	169,100	177,600	181,000	183,800
Full-Time Positions (FTP)	3.00	3.00	3.00	3.00	3.00

Department Description

The Lieutenant Governor is one of seven statewide elected officials in Idaho and serves as the presiding officer of the Idaho State Senate. He or she serves as Acting Governor when the Governor is absent from the state and is first in line for the governorship if the Governor is unable to continue in office.

Lieutenant Governor

Comparative Summary

Analyst: Smith

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	3.00	177,600	177,600	3.00	177,600	177,600
Removal of Onetime Expenditures	0.00	(700)	(700)	0.00	(700)	(700)
FY 2020 Base	3.00	176,900	176,900	3.00	176,900	176,900
Benefit Costs	0.00	500	500	0.00	(800)	(800)
Statewide Cost Allocation	0.00	300	300	0.00	300	300
Annualizations	0.00	2,500	2,500	0.00	2,500	2,500
Change in Employee Compensation	0.00	800	800	0.00	2,300	2,300
FY 2020 Program Maintenance	3.00	181,000	181,000	3.00	181,200	181,200
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	200
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	1,000
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	1,400	1,400
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	3.00	181,000	181,000	3.00	182,600	183,800
Change from Original Appropriation	0.00	3,400	3,400	0.00	5,000	6,200
% Change from Original Appropriation		1.9%	1.9%		2.8%	3.5%

Lieutenant Governor

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	3.00	177,600	0	0	177,600

Removal of Onetime Expenditures

This action removes the amount appropriated in FY 2019 on a onetime basis for a VOIP phone system upgrade.

Agency Request	0.00	(700)	0	0	(700)
Governor's Recommendation	0.00	(700)	0	0	(700)

FY 2020 Base					
Agency Request	3.00	176,900	0	0	176,900
Governor's Recommendation	3.00	176,900	0	0	176,900

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	500	0	0	500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(800)	0	0	(800)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$300.

Agency Request	0.00	300	0	0	300
Governor's Recommendation	0.00	300	0	0	300

Annualizations

Funding is requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The Lieutenant Governor's pay increased by 9.5% on January 1, 2019, from \$44,206 to \$48,406 annually. This adjustment funds the increase from July 1, 2019, through December 31, 2019. Pursuant to Section 59-501, Idaho Code, the Lieutenant Governor's salary will remain at \$48,406 until January 2023.

Agency Request	0.00	2,500	0	0	2,500
Governor's Recommendation	0.00	2,500	0	0	2,500

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	800	0	0	800
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	2,300	0	0	2,300
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FY 2020 Program Maintenance					
Agency Request	3.00	181,000	0	0	181,000
Governor's Recommendation	3.00	181,200	0	0	181,200

GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	200	0	200
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Lieutenant Governor

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
Governor's Recommendation	0.00	0	1,000	0	1,000
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	1,400	0	0	1,400
Budget Law Exemptions					
LUMP SUM: The Office of the Lieutenant Governor requests an appropriation that is exempt from Section 67-3511, Idaho Code, which restricts the transfer of appropriation among personnel costs, operating expenditures, capital outlay, and trustee and benefit payments. This authority requires legislative approval.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	3.00	181,000	0	0	181,000
Governor's Recommendation	3.00	182,600	1,200	0	183,800
Agency Request					
Change from Original App	0.00	3,400	0	0	3,400
% Change from Original App	0.0%	1.9%			1.9%
Governor's Recommendation					
Change from Original App	0.00	5,000	1,200	0	6,200
% Change from Original App	0.0%	2.8%			3.5%

Idaho Legislative Budget Book

Department of Revenue and Taxation

2019 Legislative Session

Tax Appeals, Board of	6 - 149
Tax Commission, State	6 - 155

Department of Revenue and Taxation

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
Tax Appeals, Board of	606,700	577,200	608,600	630,200	639,900
Tax Commission, State	45,381,200	43,156,700	43,750,200	45,422,800	44,818,500
Total:	45,987,900	43,733,900	44,358,800	46,053,000	45,458,400
BY FUND CATEGORY					
General	38,405,000	36,398,500	36,763,200	38,092,800	37,561,900
Dedicated	7,574,900	7,327,400	7,587,600	7,952,200	7,888,500
Federal	8,000	8,000	8,000	8,000	8,000
Total:	45,987,900	43,733,900	44,358,800	46,053,000	45,458,400
Percent Change:		(4.9%)	1.4%	3.8%	2.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	32,263,300	32,191,900	32,685,200	33,917,400	32,095,400
Operating Expenditures	12,579,400	10,844,700	11,534,700	11,845,400	13,135,900
Capital Outlay	1,145,200	697,300	138,900	290,200	227,100
Total:	45,987,900	43,733,900	44,358,800	46,053,000	45,458,400
Full-Time Positions (FTP)	460.00	460.00	464.00	478.00	453.00

Department Description

The Department of Revenue and Taxation consists of two agencies: the Board of Tax Appeals and the State Tax Commission. The Board of Tax Appeals is a single program, and the State Tax Commission has five budgeted programs: General Services, Audit, Collections, Revenue Operations, and Property Tax.

Board of Tax Appeals

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	606,700	577,200	608,600	630,200	637,400
Dedicated	0	0	0	0	2,500
Total:	606,700	577,200	608,600	630,200	639,900
Percent Change:		(4.9%)	5.4%	3.5%	5.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	517,100	460,300	522,400	528,700	532,800
Operating Expenditures	86,700	105,500	81,900	97,900	103,500
Capital Outlay	2,900	11,400	4,300	3,600	3,600
Total:	606,700	577,200	608,600	630,200	639,900
Full-Time Positions (FTP)	5.00	5.00	5.00	5.00	5.00

Division Description

The Board of Tax Appeals (Section 63-3801, Idaho Code) provides taxpayers the opportunity to appeal their ad valorem assessed valuations from a county board of equalization or tax decisions from the Idaho State Tax Commission. The three-member board provides an opportunity for appellants and respondents to present testimony and evidence at a quasi-judicial board hearing, rather than through a district court trial which can necessitate legal representation and expense.

Board of Tax Appeals Agency Profile

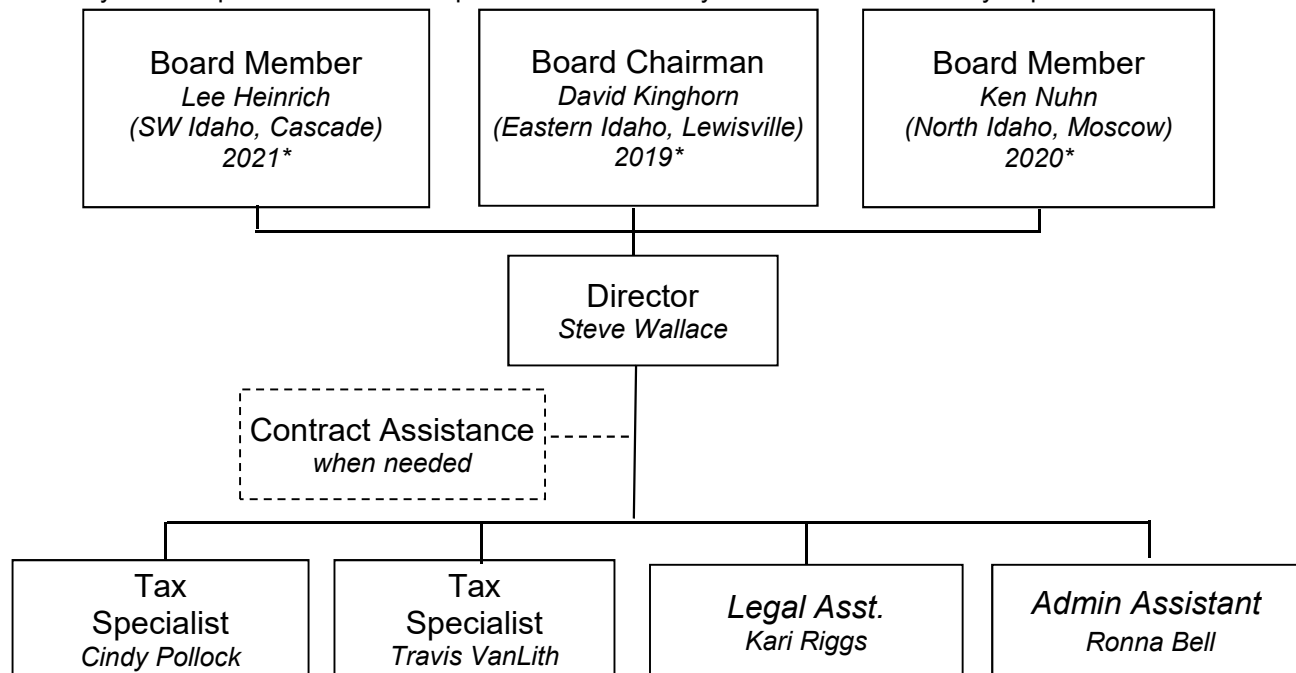
Analyst: Bybee

	FY 2015	FY 2016	FY 2017	FY 2018
Key Services Provided				
1. Number of Tax Appeals Filed	205	293	230	358
2. Appeals Settled/Withdrawn/Dismissed	95	174	115	98
3. Decisions Rendered	110	119	92	260
4. Reconsideration Motions Filed	7	15	8	8
5. Appeals taken to District Court	1	4	2	5

Selected Performance Measures				
6. Hearings held within 90 days of appeal benchmark is 100%	97%	94%	79%	35%
7. Decisions issued within 105 days of hearing benchmark is 100%	39%	52%	21%	92%
8. Tax Com. related decisions within 180 days benchmark is 100%	43%	83%	44%	73%
9. Ad valorem related decisions by May 1 benchmark is 100%	97%	99%	100%	100%

Organizational Chart

* 3 yr term expires June 30. Compensation is \$300/day + actual and necessary expenses



Board of Tax Appeals

Comparative Summary

Analyst: Bybee

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	5.00	608,600	608,600	5.00	608,600	608,600
1. New Lease - New Space	0.00	9,900	9,900	0.00	9,900	9,900
FY 2019 Total Appropriation	5.00	618,500	618,500	5.00	618,500	618,500
Removal of Onetime Expenditures	0.00	(4,300)	(4,300)	0.00	(4,300)	(4,300)
FY 2020 Base	5.00	614,200	614,200	5.00	614,200	614,200
Benefit Costs	0.00	1,700	1,700	0.00	(1,900)	(1,900)
Inflationary Adjustments	0.00	1,400	1,400	0.00	1,400	1,400
Replacement Items	0.00	3,600	3,600	0.00	3,600	3,600
Statewide Cost Allocation	0.00	300	300	0.00	300	300
Annualizations	0.00	3,300	3,300	0.00	3,300	3,300
Change in Employee Compensation	0.00	4,600	4,600	0.00	12,300	12,300
FY 2020 Program Maintenance	5.00	629,100	629,100	5.00	633,200	633,200
1. Office 365 Licenses	0.00	1,100	1,100	0.00	1,100	1,100
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	500
GOV TECH 2. Mobile Device Security	0.00	0	0	0.00	0	2,000
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	3,100	3,100
FY 2020 Total	5.00	630,200	630,200	5.00	637,400	639,900
Change from Original Appropriation	0.00	21,600	21,600	0.00	28,800	31,300
% Change from Original Appropriation		3.5%	3.5%		4.7%	5.1%

Board of Tax Appeals

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation					
	5.00	608,600	0	0	608,600

1. New Lease - New Space

This request is for a \$9,900 ongoing increase in operating expenditures to pay for the cost of a new lease in new office space located at 1673 W. Shoreline Dr., Suite 120 in Boise. There is an annualization for \$3,300 to cover the annual cost of the lease because the new landlord gave the board the first month of rent free.

Agency Request	0.00	9,900	0	0	9,900
Governor's Recommendation	0.00	9,900	0	0	9,900

FY 2019 Total Appropriation					
Agency Request	5.00	618,500	0	0	618,500
Governor's Recommendation	5.00	618,500	0	0	618,500

Removal of Onetime Expenditures

This adjustment removes funding for replacement items which include six VOIP phones (\$1,300), one network router (\$1,500), and one network switch (\$1,500).

Agency Request	0.00	(4,300)	0	0	(4,300)
Governor's Recommendation	0.00	(4,300)	0	0	(4,300)

FY 2020 Base					
Agency Request	5.00	614,200	0	0	614,200
Governor's Recommendation	5.00	614,200	0	0	614,200

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	1,700	0	0	1,700
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(1,900)	0	0	(1,900)

Inflationary Adjustments

This request is for contract inflation for rent at the new office space and IT services from Office of Information Technology Services (OITS). The request for rent includes \$1,200 which is a 3.0% increase for year two of a five-year lease and \$200 for IT services from OITS. The board currently estimates an annual cost of \$41,188 for leased office space in FY 2020, which increased 56.9% when they moved to new office space at the end of FY 2018.

Agency Request	0.00	1,400	0	0	1,400
Governor's Recommendation	0.00	1,400	0	0	1,400

Replacement Items

The request for replacement items includes four desktop PCs for \$2,900 and four monitors for \$700.

Agency Request	0.00	3,600	0	0	3,600
Governor's Recommendation	0.00	3,600	0	0	3,600

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$100, and State Controller fees will increase by \$200, for a net increase of \$300.

Agency Request	0.00	300	0	0	300
Governor's Recommendation	0.00	300	0	0	300

Board of Tax Appeals

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Annualizations					
This request annualizes the supplemental request for new leased office space for the remainder of FY 2020.					
Agency Request	0.00	3,300	0	0	3,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>3,300</i>	<i>0</i>	<i>0</i>	<i>3,300</i>
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	4,600	0	0	4,600
<i>The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>12,300</i>	<i>0</i>	<i>0</i>	<i>12,300</i>
FY 2020 Program Maintenance					
Agency Request	5.00	629,100	0	0	629,100
<i>Governor's Recommendation</i>	<i>5.00</i>	<i>633,200</i>	<i>0</i>	<i>0</i>	<i>633,200</i>
1. Office 365 Licenses					
This request includes five annual licenses to upgrade to Microsoft Office 365 software as recommended by the Office of Information Technology Services (OITS). [Ongoing]					
Agency Request	0.00	1,100	0	0	1,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>1,100</i>	<i>0</i>	<i>0</i>	<i>1,100</i>
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>500</i>	<i>0</i>	<i>500</i>
GOV TECH 2. Mobile Device Security					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding to provide security of state information that is used on mobile technology.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,000</i>	<i>0</i>	<i>2,000</i>
GOV TECH 4. Modernization – Admin Billing					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>3,100</i>	<i>0</i>	<i>0</i>	<i>3,100</i>
FY 2020 Total					
Agency Request	5.00	630,200	0	0	630,200
<i>Governor's Recommendation</i>	<i>5.00</i>	<i>637,400</i>	<i>2,500</i>	<i>0</i>	<i>639,900</i>
Agency Request					
Change from Original App	0.00	21,600	0	0	21,600
% Change from Original App	0.0%	3.5%			3.5%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>28,800</i>	<i>2,500</i>	<i>0</i>	<i>31,300</i>
<i>% Change from Original App</i>	<i>0.0%</i>	<i>4.7%</i>			<i>5.1%</i>

State Tax Commission

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
General Services	14,536,500	12,389,700	12,271,600	13,234,400	12,804,500
Audit Division	12,700,700	12,346,100	12,834,000	13,252,700	13,189,900
Collection Division	7,494,000	7,626,500	7,675,300	7,922,900	7,965,300
Revenue Operations	6,851,800	6,951,900	7,138,200	7,062,800	6,876,300
Property Tax	3,798,200	3,842,500	3,831,100	3,950,000	3,982,500
Total:	45,381,200	43,156,700	43,750,200	45,422,800	44,818,500
BY FUND CATEGORY					
General	37,798,300	35,821,300	36,154,600	37,462,600	36,924,500
Dedicated	7,574,900	7,327,400	7,587,600	7,952,200	7,886,000
Federal	8,000	8,000	8,000	8,000	8,000
Total:	45,381,200	43,156,700	43,750,200	45,422,800	44,818,500
Percent Change:		(4.9%)	1.4%	3.8%	2.4%
BY OBJECT OF EXPENDITURE					
Personnel Costs	31,746,200	31,731,600	32,162,800	33,388,700	31,562,600
Operating Expenditures	12,492,700	10,739,200	11,452,800	11,747,500	13,032,400
Capital Outlay	1,142,300	685,900	134,600	286,600	223,500
Total:	45,381,200	43,156,700	43,750,200	45,422,800	44,818,500
Full-Time Positions (FTP)	455.00	455.00	459.00	473.00	448.00

Division Description

The State Tax Commission has five budgeted programs: General Services, Audit, Collections, Revenue Operations, and Property Tax.

1) The General Services Program consists of the Commissioners, Administrative Section, Legal Section, Taxpayer Resources (Communications, Tax Policy, and Taxpayer Services), Information Technology Section, Human Resources, and the Management Services Division. This organizational structure provides for centralized management, policy development, legal, personnel, fiscal, and computer services.

2) The Audit Program conducts audits on all tax types administered by the agency by the authority of Idaho Code and the Multistate Tax Compact; conducts discovery and enforcement efforts directed at non-filers; and fraud and identity theft mitigation.

3) The Collection Program operates from the administrative office in Boise and works from and oversees five field office locations; it is also responsible for collecting delinquent taxes for all tax types, and for providing front-line taxpayer services at the offices or over the phone.

4) Revenue Operations administers the voluntary tax compliance program. Activities include: a) registering permit holders for sales, withholding, hotel/motel, special fuels, beer, wine, cigarette and tobacco taxes; b) ensuring that all individuals and licensed businesses are mailed proper tax forms for reporting; c) establishing taxpayer liability, as well as processing revenue and refund documents submitted by taxpayers; and d) maintaining a records system capable of providing individuals with tax documents.

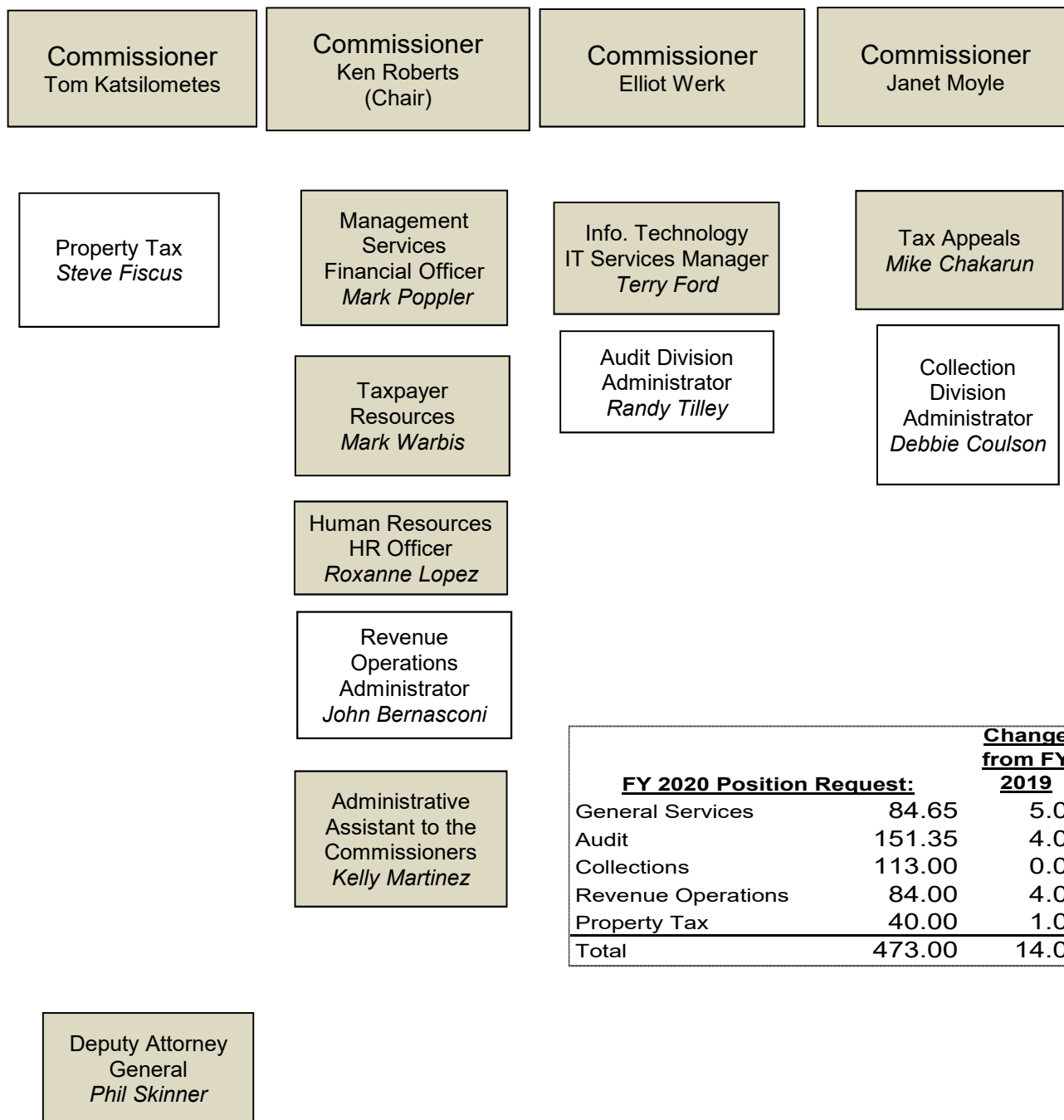
5) The Property Tax Program provides oversight and technical support in the administration of the property tax system, working to ensure fair, equitable, and accurate property taxation. The program is required to: annually appraise all class three operating property, as required by Section 63-2215, Idaho Code; examine property tax levies of all taxing districts to ensure compliance with Idaho Code; develop forms, procedures, and computer software necessary for county assessors to appraise property; develop an assessor's manual in order to facilitate uniformity of appraisals; and administer property tax relief through the Circuit Breaker Program.

State Tax Commission

Agency Profile

Analyst: Bybee

Organizational Chart



Note: Although some salaries are allocated among the five programs - General Services, Audit, Collections, Revenue Operations, and Property Tax - most of the shaded positions and their functions are located in the General Services Program budget.

State Tax Commission

Agency Profile

Analyst: Bybee

Sources of Funds

	FY 2018 Expenditures	Percent of Total	FY 2019 Appropriation	FY 2020 Request
1. General Fund 0001-00	\$35,821,300	83.0%	\$36,154,600	\$37,462,600
The General Fund sources are the individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor profits, kilowatt hour tax, mine license tax, treasurer's interest on investments of certain idle funds, court fees and fines, insurance premium tax, and agency receipts.				
2. Multistate Tax Compact 0276-00	2,432,200	5.6%	2,632,000	2,896,700
Moneys collected as a direct result of audits conducted by the Multistate Tax Commission (on behalf of the state of Idaho) are paid by the State Tax Commission into the Multistate Tax Compact Fund. The Multistate Tax Compact was formed to determine the tax liability of multistate taxpayers, promote uniformity or compatibility in tax systems, and facilitate taxpayer convenience and compliance in the filing of tax returns and avoid duplicative taxation across states (Section 63-3709, Idaho Code).				
3. Administration and Accounting Fund 0338-01	212,200	0.5%	272,900	212,500
The State Tax Commission is directed to retain funds for the Commission's cost of collecting and administering the moneys of certain income tax "Check Off" trust funds. For the following trust funds the annual amount is three thousand dollars (\$3,000) or twenty percent (20%), whichever is less (Section 63-3067A&B(d), Idaho Code): 1) the Fish and Game Trust Fund; 2) the Children's Trust Fund; 3) the Special Olympics Fund; 4) the Veterans' Support Fund; 5) the Red Cross Check-off Account; 6) the Guard and Reserve Family Support Fund; and 7) the Cooperative Welfare Fund.				
On other taxes, the State Tax Commission is authorized to retain an amount of money equal to the cost of collecting and administering them. The amount retained cannot exceed the amount authorized to be expended by appropriation. Those taxes are: 1) Idaho Travel and Convention Tax (0212) (Section 67-4718, Idaho Code); 2) Illegal Drug Tax (0281) (Section 63-4209, Idaho Code); 3) Boise Auditorium District (0630) (Section 67-4917C, Idaho Code); 4) Petroleum Clean Water Trust Fund (0130) (Section 41-4909, Idaho Code); 5) Local Option Sales Tax (0630) (Section 63-2605, Idaho Code); 6) Wine Direct Shippers Fees (0630); and 7) Emergency Communications (Section 31-4818, Idaho Code).				
4. Admin Services for Transportation Fund 0338-02	4,501,400	10.4%	4,495,900	4,636,200
The State Tax Commission retains funds from gasoline tax and special fuels tax receipts equal to the cost of collecting, administering, and enforcing the gasoline tax requirements. However, the amount cannot exceed the amount authorized to be expended by appropriation (gasoline: Sections 63-2402 and 63-2405, Idaho Code; special fuels: Section 63-2416 and Section 63-2417, Idaho Code).				
5. Seminars and Publications Fund 0401-00	181,600	0.4%	186,800	206,800
Fees, sales of educational materials, tax regulations and printed material, fees for copies, supplies, bad check charges, postage reimbursement, sales of maps, and sales to the public.				
6. Federal Grant Fund	8,000	0.0%	8,000	8,000
The Tax Commission receives intermittent grants from the federal government for project-specific work.				
Total	\$43,156,700	100.0%	\$43,750,200	\$45,422,800

State Tax Commission

Analyst: Bybee

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	459.00	36,154,600	43,750,200	459.00	36,154,600	43,750,200
Reappropriation	0.00	2,000,000	2,000,000	0.00	2,000,000	2,000,000
1. Additional Moving Costs	0.00	740,000	740,000	0.00	500,000	500,000
2. LUMA Coordinator	0.33	21,600	25,500	0.00	0	0
3. Trailer to H492 of 2018	0.25	13,200	13,200	0.25	13,200	13,200
4. Property Tax Education	0.00	0	20,000	0.00	0	20,000
FY 2019 Total Appropriation	459.58	38,929,400	46,548,900	459.25	38,667,800	46,283,400
Removal of Onetime Expenditures	0.00	(3,068,000)	(3,224,300)	0.00	(2,828,000)	(2,984,300)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2020 Base	459.58	35,861,400	43,324,600	459.25	35,839,800	43,299,100
Benefit Costs	0.00	105,300	123,700	0.00	(158,700)	(185,400)
Inflationary Adjustments	0.00	40,300	44,300	0.00	40,300	44,300
Replacement Items	0.00	165,800	274,300	0.00	115,800	211,200
Statewide Cost Allocation	0.00	216,700	297,400	0.00	216,700	297,400
Annualizations	1.42	82,500	90,100	0.75	39,400	39,400
Change in Employee Compensation	0.00	226,300	266,900	0.00	694,200	820,700
FY 2020 Program Maintenance	461.00	36,698,300	44,421,300	460.00	36,787,500	44,526,700
1. Improve Field Office Security	0.00	115,000	115,000	0.00	115,000	115,000
2. Batch Monitoring Services	0.00	85,000	100,000	0.00	66,500	81,500
3. Additional Processing Staff	5.00	283,100	314,500	2.00	96,700	107,400
4. Taxpayer Services Positions	2.00	114,600	134,800	1.00	30,200	35,500
5. IT Help Desk	1.00	44,600	52,500	0.00	0	0
6. Additional Auditors	4.00	122,000	284,700	2.00	42,100	124,000
7. Commissioner CEC	0.00	0	0	0.00	11,500	14,400
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	42,000
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(17.00)	(225,000)	(228,000)
Request for Reappropriation	0.00	0	0	0.00	0	0
FY 2020 Total	473.00	37,462,600	45,422,800	448.00	36,924,500	44,818,500
Change from Original Appropriation	14.00	1,308,000	1,672,600	(11.00)	769,900	1,068,300
% Change from Original Appropriation		3.6%	3.8%		2.1%	2.4%

State Tax Commission

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	459.00	36,154,600	7,587,600	8,000	43,750,200

Reappropriation

The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation for relocating the Tax Commission from FY 2018 into FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	2,000,000	0	0	2,000,000
Governor's Recommendation	0.00	2,000,000	0	0	2,000,000

1. Additional Moving Costs

General Services

This request is for additional costs to move from the MK/WGI Plaza to the Chinden Campus. Of the request, \$175,000 is for an additional year of common area maintenance charges or "CAM" charges at MK/WGI. CAM charges are costs shared by tenants for items like utilities, facility maintenance, grounds upkeep, use of common areas, etc. Because the Chinden Campus was not completely available for the Tax Commission to move there, these costs are unanticipated for the current fiscal year as it requires an additional year of CAM charges at MK/WGI Plaza. Also included in this request is \$100,000 for servers, \$57,400 for front counter security, \$75,000 for additional furniture for new common auditorium space, \$125,000 for new cubicles, \$50,000 for badge readers, and \$80,000 for rolling files. [Onetime]

Agency Request	0.00	740,000	0	0	740,000
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Recommendation does not include \$200,000 for wiring the computer room because it is included in project costs and not covered by the agency, CAM charges will be \$150,000 not \$175,000, and additional cubicles will no longer be needed because Audit staff cubicles will be used to stage employees during the move.

Governor's Recommendation	0.00	500,000	0	0	500,000
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2. LUMA Coordinator

General Services

This request is to add a full-time position to prepare process documentation and coordination with project LUMA and the Office of the State Controller. The position will help coordinate, plan, and implement the STARS replacement over the course of the next five years. Funding for this position is 85% from the General Fund, 5% from the Multi-state Tax Compact Fund, and 10% from the Administration Services for Transportation Fund. This position is requested for one-third the current fiscal year with an annualization for the remaining two-thirds. The full-time cost of this position in FY 2020 is \$71,300 in personnel costs and \$5,000 in operating expenditures for a total budget for this position of \$76,300 if approved as a supplemental, and annualized for the other three-quarters of the position in FY 2020.

Agency Request	0.33	21,600	3,900	0	25,500
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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3. Trailer to H492 of 2018

Property Tax

The agency requests 0.25 FTP, \$11,900 in personnel costs, and \$1,300 in operating expenditures for one-quarter position to implement H492 of 2018 as directed in the fiscal note. H492 created an additional property tax reduction for disabled veterans. This legislation enabled disabled veterans to apply for property tax relief through the circuit breaker program. The agency requires an additional technical records specialist to process these applications in addition to alleviating other work that has increased in the Property Tax Program. In total this request is for 1.00 FTP, \$47,200 in personnel costs, and \$5,000 in operating expenditures for a total of \$52,200 from the General Fund if approved as a supplemental, and annualized for the other three-quarters of the position in FY 2020.

Agency Request	0.25	13,200	0	0	13,200
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Governor's Recommendation	0.25	13,200	0	0	13,200
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State Tax Commission

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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4. Property Tax Education

Property Tax

This request is to increase the appropriation from the Property Tax Education Fund to match the increased cash received in FY 2018. As the economy has improved, more county assessors are participating in the property tax education courses and the need to hire trainers has increased as a result. This training is a semi-annual event for county officials and employees who work with property assessments and valuations. Money is paid into this fund by the attendees to cover the cost of instructors, rented classrooms, materials, and other items necessary to conduct training.

Agency Request	0.00	0	20,000	0	20,000
Governor's Recommendation	0.00	0	20,000	0	20,000

FY 2019 Total Appropriation

Agency Request	459.58	38,929,400	7,611,500	8,000	46,548,900
Governor's Recommendation	459.25	38,667,800	7,607,600	8,000	46,283,400

Removal of Onetime Expenditures

This adjustment removes \$2,000,000 in onetime funding from the General Fund that was carried over from FY 2017 into FY 2019 for the Tax Commission's relocation to the Chinden Campus; \$87,000 for replacement items including software upgrades, four network switches, and ten laser printers; \$10,300 for eight laptops; \$325,000 for imaging software for reading W-2 information, and three rapid extraction mail openers; \$62,000 onetime reporting and programming costs from the Administration and Accounting Fund; and \$740,000 for additional moving costs requested as a supplemental appropriation.

Agency Request	0.00	(3,068,000)	(156,300)	0	(3,224,300)
<i>Difference reflects onetime agency requests for supplemental appropriations that were not recommended.</i>					
Governor's Recommendation	0.00	(2,828,000)	(156,300)	0	(2,984,300)

Base Adjustments

This adjustment includes the transfer of one position from Revenue Operations to the Taxpayer Resource Unit in the General Services Program. This transfer includes \$58,400 in personnel costs.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

FY 2020 Base

Agency Request	459.58	35,861,400	7,455,200	8,000	43,324,600
Governor's Recommendation	459.25	35,839,800	7,451,300	8,000	43,299,100

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	105,300	18,400	0	123,700
<i>The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.</i>					
Governor's Recommendation	0.00	(158,700)	(26,700)	0	(185,400)

Inflationary Adjustments

This inflationary request is a 3% increase over the FY 2020 Base of \$148,800 for Manatron software. The contract signed with Manatron has increased at an average annual rate 2.5% since FY 2016. Manatron is an off-the-shelf tax and land administration software product.

Agency Request	0.00	40,300	4,000	0	44,300
Governor's Recommendation	0.00	40,300	4,000	0	44,300

State Tax Commission

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
Replacement items include \$93,600 for 110 desktop computers; \$50,400 for 36 laptop computers; \$10,300 for eight laptop computers; \$43,000 for two vehicles; \$15,000 for ten network laser printers; \$22,000 for four network switches; \$20,000 for five security cameras; and \$20,000 for a server for a total of \$274,300. By fund this request is for \$165,800 from the General Fund, \$33,300 from the Multistate Tax Compact Fund; \$64,900 from the Administration Services for Transportation Fund; and \$10,300 from the Property Tax Training Fund.					
Agency Request	0.00	165,800	108,500	0	274,300
<i>The Governor does not recommend two network switches from the General Fund, eight network printers from the General Fund, two vehicles from dedicated funds, and security cameras from the General Fund.</i>					
Governor's Recommendation	0.00	115,800	95,400	0	211,200

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$107,800, risk management costs will increase by \$62,900, State Controller fees will increase by \$56,700, and State Treasurer fees will increase by \$56,800, for a net increase of \$284,200.

This request also includes \$13,200 for Department of Administration managed rental rate increases. H544 of 2018 amended Section 67-5709, Idaho Code, to address long-term maintenance for state-occupied buildings, and requires long-term maintenance costs to be included when calculating rental rates for tenants in department-managed facilities. The Permanent Building Fund Advisory Council voted on June 5, 2018, to increase rental rates by a total of 16.6% for state owned buildings in Lewiston and Idaho Falls. The increase will be used to address deferred maintenance costs associated for state owned buildings, which total approximately \$22.2 million dollars. If funded, this year's increase will collect \$1,237,441 in FY 2020. There may be subsequent increases to address deferred maintenance in the future. The increase specific to this agency is 20.9%.

Agency Request	0.00	216,700	80,700	0	297,400
Governor's Recommendation	0.00	216,700	80,700	0	297,400

Annualizations

The commission requests 0.67 FTP, \$47,500 in personnel costs, and \$3,300 in operating expenditures, for a total of \$50,800 for the remainder of a full year for the LUMA project coordinator. This amount, if approved, would bring the total ongoing appropriation to \$76,300, of which the funding is split 85% General Fund, 5% Multistate Tax Compact Fund, and 10% Administration Services for Transportation Fund. Additionally, the request includes 0.75 FTP, \$35,600 in personnel costs, and \$3,700 in operating expenditures for a total of \$39,300 for a full year of the technical records specialist as requested in response to H492 of 2018. The amount, if approved, brings the total ongoing appropriation to 1.00 FTP, \$47,200 in personnel costs, and \$5,000 in operating expenditures for a grand total of \$52,200 from the General Fund. [Ongoing]

Agency Request	1.42	82,500	7,600	0	90,100
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The Governor recommends an annualization for the technical records specialist in Property Tax but does not recommend the LUMA coordinator in General Services. The difference between the recommendation and request is the 2% salary schedule adjustment, a reduction in health insurance from \$11,650 to \$11,020, and the decrease for the Division of Human Resources rate. All of these adjustments net to \$100 increase above the request.

Governor's Recommendation	0.75	39,400	0	0	39,400
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	226,300	40,600	0	266,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The Governor recommends the pay structure for state employees be moved by 2% and includes \$51,800 for that purpose.

Governor's Recommendation	0.00	694,200	126,500	0	820,700
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State Tax Commission

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Program Maintenance					
Agency Request	461.00	36,698,300	7,715,000	8,000	44,421,300
Governor's Recommendation	460.00	36,787,500	7,731,200	8,000	44,526,700

1. Improve Field Office Security

Collections Division

This request is to improve employee safety by fortifying and strengthening the front taxpayer service counters and windows with bullet proof glass and materials in the Lewiston and Idaho Falls field offices.

Agency Request	0.00	115,000	0	0	115,000
Governor's Recommendation	0.00	115,000	0	0	115,000

2. Batch Monitoring Services

General Services

This request is to provide ongoing funding to monitor batch processing of tax returns by FAST Enterprises LLC, the company that creates and operates GenTax which is the state's software for processing and managing tax returns. This is an ongoing maintenance contract with FAST that is broken out 85% from the General Fund, 5% from the Multi-state Tax Compact Fund, and 10% from the Administration Services for Transportation Fund. This request has potential to provide ongoing savings because the commission will no longer have to staff overnight shifts to monitor these processes. Additionally, there is opportunity to better document and describe business processes.

Agency Request	0.00	85,000	15,000	0	100,000
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The Governor recommends reducing \$18,500 from personnel costs in the General Fund as a group IT position will no longer be necessary.

Governor's Recommendation	0.00	66,500	15,000	0	81,500
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3. Additional Processing Staff

Revenue Operations

This request is for 5.00 FTP, \$288,200 in personnel costs, and \$25,000 in operating expenditures for additional revenue processing staff. The request is 90% from the General Fund and 10% from the Administration Services for Transportation Fund. These positions' workload increases are proportionately related to population growth in the state. While automation and electronic commerce have created efficiencies, the agency states the limits of productivity of existing staff have been reached. Three positions are technical records specialists budgeted at \$16.57/hour or \$34,500 annually, and the other two positions are program specialists budgeted at \$20.92/hour or \$43,500 annually.

Agency Request	5.00	283,100	31,400	0	314,500
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The Governor recommends two technical records specialist positions.

Governor's Recommendation	2.00	96,700	10,700	0	107,400
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4. Taxpayer Services Positions

General Services

This request is for 2.00 FTP, \$124,300 in personnel costs, and \$10,000 in operating expenditures for additional taxpayer services positions. Funding for these positions is 85% from the General Fund, 5% from the Multi-state Tax Compact Fund, and 10% from the Administration Services for Transportation Fund. The first position request is a taxpayer service representative who responds to external phone and web requests from taxpayers. According to the agency, this position will help alleviate the need to hire temporary and part-time staff. The second position is a full-time trainer who will be responsible for education and outreach efforts to increase voluntary tax compliance. The operating expenditures will be used to cover anticipated software costs, licensing fees, and training.

Agency Request	2.00	114,600	20,200	0	134,800
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The Governor does not recommend a training specialist position.

Governor's Recommendation	1.00	30,200	5,300	0	35,500
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State Tax Commission

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. IT Help Desk					General Services
This request is for an additional IT help desk position which will help manage mobile devices and computers at the State Tax Commission. Funding for this position is 85% from the General Fund, 5% from the Multi-state Tax Compact Fund, and 10% from the Administration Services for Transportation Fund. There are currently three positions at the agency that respond to IT help desk requests and the agency currently uses part-time and temporary employees to fill in when needed.					
Agency Request	1.00	44,600	7,900	0	52,500
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. Additional Auditors					Audit Division
This request is for 4.00 FTP, \$253,700 in personnel costs, and \$30,000 in operating expenditures for four additional audit staff. These positions will help increase voluntary tax compliance. In particular, the two Multistate Tax Compact (MTC) auditors will work with tax filers from out of state to ensure voluntary compliance with Idaho's laws. Three of the positions will be auditors and one will be administrative support. Funding for these positions is 43% from the General Fund and 57% from the Multi-state Tax Compact Fund. The requested funds in operating expenditures are budgeted 51% for office supplies, including software licensing fees, 33% for travel, and 16% for training. The administrative support request is at \$14.19/hour or \$29,500 annually, the non-filer auditor in the tax discovery budget request is at \$20.92/hour or \$43,500 annually, and the MTC auditors are budgeted at \$23.62/hour or \$49,100 annually. All four positions are requested at 80% of policy in the various paygrades.					
Agency Request	4.00	122,000	162,700	0	284,700
<i>The Governor recommends 2.00 FTP, \$114,000 in personnel costs, and \$10,000 in operating expenditures for a multi-state tax auditor and the conversion of a part-time non-filer auditor to full-time.</i>					
Governor's Recommendation	2.00	42,100	81,900	0	124,000
7. Commissioner CEC					General Services
Agency Request	0.00	0	0	0	0
<i>The Governor recommends a 3% salary increase for commissioners, increasing their annual salary to \$102,049. Legislation is required to make this change.</i>					
Governor's Recommendation	0.00	11,500	2,900	0	14,400
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	42,000	0	42,000
GOV TECH 3. Modernization – Consolidate					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies. This recommendation removes 17.00 FTP and reduces personnel costs \$1,535,900 (\$1,515,400 from the General Fund and \$20,500 from the Administration Services for Transportation Fund) while increasing operating expenditures \$1,307,900 (\$1,290,400 from the General Fund and \$17,500 from the Administration Services for Transportation Fund) for a net reduction of \$228,000.</i>					
Governor's Recommendation	(17.00)	(225,000)	(3,000)	0	(228,000)
Request for Reappropriation					
The Tax Commission requests the ability to reappropriate or carryover its unencumbered and unspent appropriation for costs associated with moving from FY 2019 into FY 2020.					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

State Tax Commission

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Total					
Agency Request	473.00	37,462,600	7,952,200	8,000	45,422,800
<i>Governor's Recommendation</i>	<i>448.00</i>	<i>36,924,500</i>	<i>7,886,000</i>	<i>8,000</i>	<i>44,818,500</i>
Agency Request					
Change from Original App	14.00	1,308,000	364,600	0	1,672,600
% Change from Original App	3.1%	3.6%	4.8%	0.0%	3.8%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>(11.00)</i>	<i>769,900</i>	<i>298,400</i>	<i>0</i>	<i>1,068,300</i>
<i>% Change from Original App</i>	<i>(2.4%)</i>	<i>2.1%</i>	<i>3.9%</i>	<i>0.0%</i>	<i>2.4%</i>

Secretary of State

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY PROGRAM					
Administration	4,897,700	4,878,600	4,921,400	3,799,500	3,611,500
Commission on Uniform State Laws	49,600	49,600	48,600	53,700	53,700
Total:	4,947,300	4,928,200	4,970,000	3,853,200	3,665,200
BY FUND CATEGORY					
General	4,947,300	4,928,200	3,770,000	3,853,200	3,662,400
Dedicated	0	0	1,200,000	0	2,800
Total:	4,947,300	4,928,200	4,970,000	3,853,200	3,665,200
Percent Change:		(0.4%)	0.8%	(22.5%)	(26.3%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,167,800	2,067,300	2,184,400	2,388,800	2,330,500
Operating Expenditures	2,779,500	2,854,300	2,785,600	1,464,400	1,334,700
Capital Outlay	0	6,600	0	0	0
Total:	4,947,300	4,928,200	4,970,000	3,853,200	3,665,200
Full-Time Positions (FTP)	29.00	29.00	29.00	31.00	30.00

Department Description

The Secretary of State is one of seven statewide elected officials in Idaho. The officeholder's constitutional and statutory responsibilities include membership on the State Board of Land Commissioners and the Board of Examiners. There are two budgeted programs and one continuously appropriated program in the Office of the Secretary of State:

ADMINISTRATION

The Administration Program performs all the constitutional and statutory functions of the Office of the Secretary of State, including registering the official acts of the Legislature and the Governor; administering and certifying elections; maintaining a registry of tort claims, extraditions, deeds, official oaths, and gubernatorial appointments; administering the Sunshine Law; and maintaining and operating the Centralized Uniform Commercial Code as it relates to state, commercial, and farm product filings. [Statutory Authority: Section 67-901, Idaho Code]

COMMISSION ON UNIFORM STATE LAWS

The Commission on Uniform State Laws is composed of four members who are appointed by the Governor. The commission studies proposed uniform laws and drafts legislation for consideration by the Idaho Legislature where uniformity among state laws is desirable. [Statutory Authority: Section 67-1701, Idaho Code]

IDAHO CODE COMMISSION

The budget for the Idaho Code Commission is continuously appropriated. The three-member commission, of which the Secretary of State is the ex-officio secretary, is responsible for compiling the Idaho Code annually. [Statutory Authority: Section 73-201, Idaho Code]

Secretary of State

Comparative Summary

Analyst: Smith

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	29.00	3,770,000	4,970,000	29.00	3,770,000	4,970,000
Removal of Onetime Expenditures	0.00	(307,600)	(1,507,600)	0.00	(307,600)	(1,507,600)
FY 2020 Base	29.00	3,462,400	3,462,400	29.00	3,462,400	3,462,400
Benefit Costs	0.00	8,500	8,500	0.00	(9,800)	(9,800)
Statewide Cost Allocation	0.00	(23,800)	(23,800)	0.00	(23,800)	(23,800)
Annualizations	0.00	6,200	6,200	0.00	6,200	6,200
Change in Employee Compensation	0.00	17,300	17,300	0.00	51,800	51,800
FY 2020 Program Maintenance	29.00	3,470,600	3,470,600	29.00	3,486,800	3,486,800
1. Cybersecurity Policy Analyst	1.00	98,600	98,600	1.00	97,900	97,900
2. Communications Coordinator	1.00	73,800	73,800	0.00	0	0
3. Elections System Maintenance	0.00	90,000	90,000	0.00	0	0
4. Increase Operating Expenditures	0.00	67,500	67,500	0.00	25,000	25,000
5. Federal HAVA Grant Match	0.00	161,500	161,500	0.00	161,500	161,500
6. Publication of Idaho Blue Book	0.00	40,000	40,000	0.00	40,000	40,000
7. Conference Costs	0.00	12,700	12,700	0.00	12,700	12,700
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	2,800
Cash Transfers	0.00	(161,500)	(161,500)	0.00	(161,500)	(161,500)
FY 2020 Total	31.00	3,853,200	3,853,200	30.00	3,662,400	3,665,200
Change from Original Appropriation	2.00	83,200	(1,116,800)	1.00	(107,600)	(1,304,800)
% Change from Original Appropriation		2.2%	(22.5%)		(2.9%)	(26.3%)

Secretary of State

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	29.00	3,770,000	1,200,000	0	4,970,000

Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime line items: \$300,000 for elections costs, \$1,200,000 for the state elections system upgrade, and \$7,600 for conference costs of the Commission on Uniform State Laws.

Agency Request	0.00	(307,600)	(1,200,000)	0	(1,507,600)
Governor's Recommendation	0.00	(307,600)	(1,200,000)	0	(1,507,600)

FY 2020 Base					
Agency Request	29.00	3,462,400	0	0	3,462,400
Governor's Recommendation	29.00	3,462,400	0	0	3,462,400

Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	8,500	0	0	8,500
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(9,800)	0	0	(9,800)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will decrease by \$25,000, State Controller fees will increase by \$1,100, and State Treasurer fees will increase by \$100, for a net reduction of \$23,800.

Agency Request	0.00	(23,800)	0	0	(23,800)
Governor's Recommendation	0.00	(23,800)	0	0	(23,800)

Annualizations

Funding is requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The Secretary of State's pay increased by 9.5% on January 1, 2019, from \$107,357 to \$117,557 annually. This adjustment funds the increase from July 1, 2019, through December 31, 2019. Pursuant to Section 59-501, Idaho Code, the Secretary of State's salary will remain at \$117,557 until January 2023.

Agency Request	0.00	6,200	0	0	6,200
Governor's Recommendation	0.00	6,200	0	0	6,200

Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	17,300	0	0	17,300
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	51,800	0	0	51,800
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FY 2020 Program Maintenance					
Agency Request	29.00	3,470,600	0	0	3,470,600
Governor's Recommendation	29.00	3,486,800	0	0	3,486,800

Secretary of State

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Cybersecurity Policy Analyst					Secretary of State
<p>The Secretary of State requests 1.00 FTP and \$98,600 in ongoing personnel costs from the General Fund for a cybersecurity policy analyst. The Secretary of State's Office intends to fill this position in the current fiscal year with a federal grant it received under the Help America Vote Act (HAVA), for which funding was provided in the 2018 federal spending bill (P.L. 115-141). The grant terms require that it be used to improve elections security. However, regular ongoing payroll and operating expenses are not allowable, so the agency is requesting to transfer the cybersecurity analyst's ongoing personnel costs to the General Fund beginning in FY 2020. This position's role will be to address elections security concerns and cyber attacks. The individual in this position would be tasked with developing, implementing, and administering cybersecurity specific policies for both the elections and corporate divisions within the Secretary of State's Office. This individual would obtain a high level of national security clearance to enable collaboration with federal and state partners to respond to classified cyber-related intelligence.</p>					
Agency Request	1.00	98,600	0	0	98,600
<i>Recommended by the Governor with changes for benefits and compensation.</i>					
Governor's Recommendation	1.00	97,900	0	0	97,900
2. Communications Coordinator					Secretary of State
<p>The Secretary of State requests 1.00 FTP and \$73,800 in ongoing personnel costs from the General Fund for a communications coordinator. This position was filled in July 2019 using federal grant moneys received under the Help America Vote Act (HAVA), for which funding was provided in the 2018 federal spending bill (P.L. 115-141). The grant terms require that it be used to improve elections security. However, regular ongoing payroll and operating expenses are not allowable, so the agency is requesting to transfer the communications coordinator's ongoing personnel costs to the General Fund beginning in FY 2020. The individual in this position is tasked with managing communications related to elections security such as press inquiries and speaking requests, and maintaining communications channels and plans in response to cyber threats. In addition, this position will manage consumer education with the rollout of the Secretary of State's new elections and corporate systems.</p>					
Agency Request	1.00	73,800	0	0	73,800
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Elections System Maintenance					Secretary of State
<p>The Secretary of State requests \$90,000 in ongoing operating expenditures from the General Fund for the hosting and maintenance of the state's new elections system and voter registration database. According to the Secretary of State's Office, the annual costs for the current elections system average \$640,000 per year. This additional \$90,000 would bring the total ongoing appropriation for elections system maintenance to \$730,000 per year. In FY 2019, the Secretary of State was appropriated \$1,200,000 onetime to procure and implement the new elections system with the expectation that \$90,000 would be requested in FY 2020 to begin paying for ongoing system maintenance. The software vendor, Tenex Software Solutions, Inc., was selected in August 2018 and has begun a phased approach that aims to have the new elections system fully operational by January 2020 in preparation for the 2020 general election. Functions of the software, such as lobbyist registration and campaign finance reporting, will be made available as they are completed at which point hosting and maintenance costs will begin immediately. Ongoing maintenance will be provided by Tenex, while the site will be hosted by Microsoft. This funding request, as well as the ongoing base appropriation for the current election system's maintenance, will be used to cover the hosting and maintenance provided by the two vendors. The Secretary of State's Office intends to maintain the current and new elections systems simultaneously for up to six months during the transition, after which point approximately \$640,000 in the agency's base appropriation for the current elections system will be available to support the new system.</p>					
Agency Request	0.00	90,000	0	0	90,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Secretary of State

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Increase Operating Expenditures					Secretary of State
The Secretary of State requests \$67,500 in ongoing operating expenditures from the General Fund to address deferred increase requests in operating expenditures. Expenses include: \$25,000 for marketing and communications such as advertising, mailings, and public service announcements to educate users about new online resources for corporate filing and elections; \$15,000 for staff training on new online tools and cloud-based hosting environments; \$15,000 to hire consulting project managers; \$5,000 for staff travel for trainings and conferences; and \$7,500 for ongoing cybersecurity software licenses.					
Agency Request	0.00	67,500	0	0	67,500
<i>The Governor recommends funding for marketing and communications for the dissemination of educational material related to the new corporation filing system and the new election module.</i>					
Governor's Recommendation	0.00	25,000	0	0	25,000
5. Federal HAVA Grant Match					Secretary of State
The Secretary of State requests \$161,500 onetime from the General Fund to fulfill the 5% match required under the terms of the federal Help America Vote Act (HAVA) grant. Funding was provided in the 2018 federal spending bill for grants to each of the states using a population-based formula. Idaho's grant totals \$3,229,896. The purpose of the award is to "improve the administration of elections for Federal office, including to enhance election technology and make election security improvements" (P.L. 115-141). Under the terms of the grant, the state is required to provide a 5% cash or in-kind matching contribution by March 2020.					
Analyst Note: In December 2018, the Election Assistance Commission (the federal granting agency) confirmed to the Legislative Services Office that matching contributions can be made from moneys already appropriated by the state, specifically the \$1.2 million appropriated for the new elections system in FY 2019, provided the expenditures occurred after the award date (March 23, 2018) and were for goods or services that are allowable under the grant.					
Agency Request	0.00	161,500	0	0	161,500
Governor's Recommendation	0.00	161,500	0	0	161,500
6. Publication of Idaho Blue Book					Secretary of State
The Secretary of State requests \$40,000 onetime from the General Fund to offset the cost of publishing the Idaho Blue Book. The Secretary of State is required to publish the Blue Book biennially pursuant to Section 67-915, Idaho Code. The Idaho Blue Book is a comprehensive reference of Idaho civic history used by schools, citizens, and legislators.					
Agency Request	0.00	40,000	0	0	40,000
Governor's Recommendation	0.00	40,000	0	0	40,000
7. Conference Costs					Commission on Uniform State Laws
The Secretary of State requests \$12,700 in onetime operating expenditures from the General Fund for the four members of the Commission on Uniform State Laws to attend the annual National Conference of Commissioners on Uniform State Laws, which will be held in Anchorage, AK. Total costs of attendance include: \$2,400 for registration, \$1,600 for meals, \$9,100 for hotel, \$2,800 for airfare, \$400 for ground transportation, \$37,200 for annual dues, and \$200 for workers compensation, for a total of \$53,700. The commission has an ongoing appropriation of \$41,000 for annual conference costs, so this request reflects the additional \$12,700 to meet the total projected costs to attend the July 2019 conference.					
Agency Request	0.00	12,700	0	0	12,700
Governor's Recommendation	0.00	12,700	0	0	12,700
GOV TECH 1. Network Equip Replacement					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.</i>					
Governor's Recommendation	0.00	0	2,800	0	2,800

Secretary of State

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Cash Transfers					
This request includes a cash transfer from the General Fund to the Democracy Fund for the 5% federal Help America Vote Act (HAVA) grant matching contribution requested in line item 5.					
Agency Request	0.00	(161,500)	0	0	(161,500)
Governor's Recommendation	0.00	(161,500)	0	0	(161,500)
FY 2020 Total					
Agency Request	31.00	3,853,200	0	0	3,853,200
Governor's Recommendation	30.00	3,662,400	2,800	0	3,665,200
Agency Request					
Change from Original App	2.00	83,200	(1,200,000)	0	(1,116,800)
% Change from Original App	6.9%	2.2%	(100.0%)		(22.5%)
Governor's Recommendation					
Change from Original App	1.00	(107,600)	(1,197,200)	0	(1,304,800)
% Change from Original App	3.4%	(2.9%)	(99.8%)		(26.3%)

Idaho Legislative Budget Book

State Treasurer

2019 Legislative Session

State Treasurer	6 - 173
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State Treasurer

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY DIVISION					
State Treasurer	4,275,300	3,771,900	4,238,300	4,541,000	4,318,900
Idaho Millennium Fund	2,691,500	2,691,500	0	7,507,800	0
Total:	6,966,800	6,463,400	4,238,300	12,048,800	4,318,900
BY FUND CATEGORY					
General	1,413,600	1,329,500	1,430,400	1,700,200	1,459,100
Dedicated	5,553,200	5,133,900	2,807,900	10,348,600	2,859,800
Total:	6,966,800	6,463,400	4,238,300	12,048,800	4,318,900
Percent Change:		(7.2%)	(34.4%)	184.3%	1.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,493,800	2,176,000	2,498,600	2,536,000	2,561,800
Operating Expenditures	1,781,000	1,479,200	1,739,700	2,005,000	1,757,100
Capital Outlay	500	116,700	0	0	0
Lump Sum	2,691,500	2,691,500	0	7,507,800	0
Total:	6,966,800	6,463,400	4,238,300	12,048,800	4,318,900
Full-Time Positions (FTP)	26.00	26.00	26.00	26.00	26.00

Department Description

STATE TREASURER: The State Treasurer is one of seven statewide elected officials in Idaho. The State Treasurer serves as the banker for all Idaho agencies and acts as custodian of the public school endowment funds. The constitutional and statutory duties of the office include: (1) receiving all revenues and fees due to the state; (2) depositing funds in banks throughout Idaho; (3) paying all accounts; (4) investing surplus moneys not needed for day-to-day operations; and (5) administering Idaho's unclaimed property statutes. [Statutory Authority: Section 67-1201 et seq., Idaho Code]

IDAHO MILLENNIUM FUND: The Idaho Millennium Fund is the repository of all funds received by the state of Idaho under the Master Tobacco Settlement Agreement reached between states and tobacco product manufacturers. These three funds are managed and invested by the State Treasurer:

(1) The Idaho Millennium Permanent Endowment Fund consists of eighty percent of moneys received each year by the state of Idaho on and after January 1, 2007, pursuant to the master settlement agreement entered into between tobacco product manufacturers and the state, and any other moneys that may be appropriated or otherwise directed to the fund. Each year the State Treasurer is to distribute five percent (5%) of the fund's average monthly fair market value for the first twelve months of the preceding twenty-four months, to the Idaho Millennium Income Fund, providing that the distribution does not exceed the fund's fair market value on the first business day of July.

(2) The Idaho Millennium Fund consists of twenty percent (20%) of moneys received each year by the state of Idaho on and after January 1, 2007 pursuant to the master settlement agreement entered into between tobacco product manufacturers and the state, and any other moneys that may be appropriated or otherwise directed to the fund. Each year the State Treasurer is to distribute five percent (5%) of the fund's average monthly fair market value for the first twelve months of the preceding twenty-four months, to the Idaho Millennium Income Fund, providing that the distribution does not exceed the fund's fair market value on the first business day of July. The balance in this fund is never to exceed \$100 million and any amount in excess is to be transferred to the Permanent Endowment Fund.

(3) The Idaho Millennium Income Fund consists of distributions from the Idaho Millennium Permanent Endowment Fund, the Idaho Millennium Fund and such moneys that may be provided by legislative appropriations. The income fund is managed by the State Treasurer and retains its own earnings. The uses of this fund are determined by legislative appropriation.

State Treasurer

Analyst: Smith

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
General	1,413,600	1,329,500	1,430,400	1,700,200	1,459,100
Dedicated	2,861,700	2,442,400	2,807,900	2,840,800	2,859,800
Total:	4,275,300	3,771,900	4,238,300	4,541,000	4,318,900
Percent Change:		(11.8%)	12.4%	7.1%	1.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,493,800	2,176,000	2,498,600	2,536,000	2,561,800
Operating Expenditures	1,781,000	1,479,200	1,739,700	2,005,000	1,757,100
Capital Outlay	500	116,700	0	0	0
Total:	4,275,300	3,771,900	4,238,300	4,541,000	4,318,900
Full-Time Positions (FTP)	26.00	26.00	26.00	26.00	26.00

Division Description

The State Treasurer is one of seven statewide elected officials in Idaho. The State Treasurer serves as the banker for all Idaho agencies and acts as custodian of the public school endowment funds. The constitutional and statutory duties of the office include: (1) receiving all revenues and fees due to the state; (2) depositing funds in banks throughout Idaho; (3) paying all accounts; (4) investing surplus moneys not needed for day-to-day operations; (5) maintaining a pooled investment program for the benefit of public agencies; and (6) administering Idaho's unclaimed property statutes. [Statutory Authority: Section 67-1201 et seq., Idaho Code]

State Treasurer

Comparative Summary

Analyst: Smith

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	26.00	1,430,400	4,238,300	26.00	1,430,400	4,238,300
Reappropriation	0.00	0	105,700	0.00	0	105,700
1. Treasurer's Office Relocation	0.00	3,525,000	3,525,000	0.00	0	0
FY 2019 Total Appropriation	26.00	4,955,400	7,869,000	26.00	1,430,400	4,344,000
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
FY 2019 Estimated Expenditures	26.00	4,955,400	7,869,000	26.00	1,430,400	4,344,000
Removal of Onetime Expenditures	0.00	(3,275,000)	(3,380,700)	0.00	0	(105,700)
FY 2020 Base	26.00	1,680,400	4,488,300	26.00	1,430,400	4,238,300
Benefit Costs	0.00	3,800	10,300	0.00	(1,000)	(5,500)
Statewide Cost Allocation	0.00	2,800	15,300	0.00	2,800	15,300
Annualizations	0.00	6,200	6,200	0.00	6,200	6,200
Change in Employee Compensation	0.00	7,000	20,900	0.00	20,700	62,500
FY 2020 Program Maintenance	26.00	1,700,200	4,541,000	26.00	1,459,100	4,316,800
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	2,100
Budget Law Exemptions	0.00	0	0	0.00	0	0
FY 2020 Total	26.00	1,700,200	4,541,000	26.00	1,459,100	4,318,900
Change from Original Appropriation	0.00	269,800	302,700	0.00	28,700	80,600
% Change from Original Appropriation		18.9%	7.1%		2.0%	1.9%

State Treasurer

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	26.00	1,430,400	2,807,900	0	4,238,300

Reappropriation

The State Treasurer was authorized to reappropriate or carryover its unencumbered and unspent appropriation balance in the Local Government Investment Pool (LGIP) Fund from FY 2018 into FY 2019, pursuant to Section 3 of H692 of 2018. Of the total amount, \$40,400 in personnel costs and \$65,300 in operating expenditures was reappropriated for FY 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2020 Base.

Agency Request	0.00	0	105,700	0	105,700
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>105,700</i>	<i>0</i>	<i>105,700</i>

1. Treasurer's Office Relocation

The State Treasurer's Office requests a supplemental appropriation of \$3,275,000 in onetime capital outlay and \$250,000 in ongoing operating expenditures to relocate its offices from the first floor of the Capitol Building. New office space has yet to be identified, but the State Treasurer is seeking space as close to the Capitol as possible and anticipates needing to remodel the future space. The State Treasurer's Office is working with the Department of Administration to find suitable space to meet its needs and its preference to keep as much of its staff together as possible.

Pursuant to Section 67-1602, Idaho Code, the Legislature has authority to determine the use of space on each floor of the Capitol except the second and has requested that the space currently used by the State Treasurer on the first floor be vacated to make room for additional offices for the House of Representatives.

Agency Request	0.00	3,525,000	0	0	3,525,000
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Not recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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FY 2019 Total Appropriation					
Agency Request	26.00	4,955,400	2,913,600	0	7,869,000
<i>Governor's Recommendation</i>	<i>26.00</i>	<i>1,430,400</i>	<i>2,913,600</i>	<i>0</i>	<i>4,344,000</i>

Noncognizable Funds and Transfers

This adjustment transfers a total of 0.40 FTP from three of the agency's dedicated funds to the General Fund to align FTP allocation with available funding.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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FY 2019 Estimated Expenditures					
Agency Request	26.00	4,955,400	2,913,600	0	7,869,000
<i>Governor's Recommendation</i>	<i>26.00</i>	<i>1,430,400</i>	<i>2,913,600</i>	<i>0</i>	<i>4,344,000</i>

Removal of Onetime Expenditures

This action removes the authorized carryover of \$105,700 from FY 2018 to FY 2019 for the Local Government Investment Pool Fund and the onetime portion of the FY 2019 supplemental request for \$3,275,000 for relocation costs before calculating the FY 2020 Base.

Agency Request	0.00	(3,275,000)	(105,700)	0	(3,380,700)
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Amounts differ due to the onetime amount not recommended by the Governor for the State Treasurer's supplemental request.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(105,700)</i>	<i>0</i>	<i>(105,700)</i>
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FY 2020 Base					
Agency Request	26.00	1,680,400	2,807,900	0	4,488,300
<i>Governor's Recommendation</i>	<i>26.00</i>	<i>1,430,400</i>	<i>2,807,900</i>	<i>0</i>	<i>4,238,300</i>

State Treasurer

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	3,800	6,500	0	10,300
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	(1,000)	(4,500)	0	(5,500)
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Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Risk management costs will increase by \$13,300 and State Controller fees will increase by \$2,000, for a net increase of \$15,300.

Agency Request	0.00	2,800	12,500	0	15,300
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Governor's Recommendation	0.00	2,800	12,500	0	15,300
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Annualizations

Funding is requested for the constitutional officers' pay increase authorized by the 2018 Legislature in Session Laws, Chapter 269. The State Treasurer's pay increased by 9.5% on January 1, 2019, from \$107,357 to \$117,557 annually. This adjustment funds the increase from July 1, 2019, through December 31, 2019. Pursuant to Section 59-501, Idaho Code, the State Treasurer's salary will remain at \$117,557 until January 2023.

Agency Request	0.00	6,200	0	0	6,200
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Governor's Recommendation	0.00	6,200	0	0	6,200
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Change in Employee Compensation

For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.

Agency Request	0.00	7,000	13,900	0	20,900
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	20,700	41,800	0	62,500
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FY 2020 Program Maintenance

Agency Request	26.00	1,700,200	2,840,800	0	4,541,000
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Governor's Recommendation	26.00	1,459,100	2,857,700	0	4,316,800
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GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	2,100	0	2,100
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State Treasurer

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Budget Law Exemptions

The agency requests the following language to be included in its FY 2020 appropriation bill:

STATE TREASURER LOCAL GOVERNMENT INVESTMENT POOL (LGIP) FUND REAPPROPRIATION AUTHORITY. There is hereby reappropriated to the State Treasurer any unexpended and unencumbered balances of moneys in the State Treasurer LGIP Fund as appropriated for fiscal year 2019, to be used for nonrecurring expenditures, for the period July 1, 2019, through June 30, 2020.

CONFERENCE-RELATED ACTIVITIES. It is the intent of the Legislature that no more than \$10,000 from the General Fund, as appropriated in Section 1 of this act, shall be spent on various conference-related activities including, but not limited to, sponsorships, in-kind donations, and information booths. No moneys appropriated in Section 1 of this act from dedicated funds shall be used for conference-related activities unless otherwise provided by Idaho Code; provided, however, that in no event shall more than a total of \$10,000 from any fund source or combination thereof be used for said conference-related activities.

PAYMENT OF BANK SERVICE FEES. Of the amount appropriated in Section 1 of this act, \$435,900 from the General Fund and \$192,400 from the Professional Services Fund, or so much thereof as is necessary, is to be used solely and only for the payment of bank service fees for the period July 1, 2019, through June 30, 2020.

Agency Request	0.00	0	0	0	0
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Recommended by the Governor.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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FY 2020 Total					
Agency Request	26.00	1,700,200	2,840,800	0	4,541,000
<i>Governor's Recommendation</i>	<i>26.00</i>	<i>1,459,100</i>	<i>2,859,800</i>	<i>0</i>	<i>4,318,900</i>

Agency Request

Change from Original App	0.00	269,800	32,900	0	302,700
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% Change from Original App	0.0%	18.9%	1.2%		7.1%
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Governor's Recommendation

<i>Change from Original App</i>	<i>0.00</i>	<i>28,700</i>	<i>51,900</i>	<i>0</i>	<i>80,600</i>
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<i>% Change from Original App</i>	<i>0.0%</i>	<i>2.0%</i>	<i>1.8%</i>		<i>1.9%</i>
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Idaho Millennium Fund

Analyst: Tatro

Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
BY FUND CATEGORY					
Dedicated	2,691,500	2,691,500	0	7,507,800	0
Percent Change:		0.0%	(100.0%)		
BY OBJECT OF EXPENDITURE					
Lump Sum	2,691,500	2,691,500	0	7,507,800	0

Division Description

TOBACCO SETTLEMENT BACKGROUND

In 1998, 46 states reached an agreement with the largest tobacco manufacturers ending a legal battle between the states and the industry that began in 1994. Although the payments are expected in perpetuity, the agreement requires the tobacco manufacturers to pay Idaho approximately \$790 million over the first 25 years.

IDAHO MILLENNIUM FUND ENABLING LEGISLATION

The Idaho Millennium Fund was established by the Legislature in 2000 to receive, invest, and disburse funds received by the state of Idaho under the Tobacco Master Settlement Agreement reached between participating states and tobacco product manufacturers. This fund preserves the long-term capital value of these moneys through a distribution rule which provides that five percent of the fund's average market value is made available for legislative appropriation each fiscal year. Fund investments are managed by the State Treasurer.

CONSTITUTIONAL AMENDMENT

Senate Joint Resolution 107, approved by voters in November 2006, amended the state Constitution to establish a permanent endowment fund and mandated that 80% of future tobacco settlement payments be placed into the Idaho Millennium Permanent Endowment Fund and that the remaining 20% be placed into the existing Idaho Millennium Fund. Annual distributions from both of these funds are made to the Idaho Millennium Income Fund, which is subject to appropriation. The amendment also established a cap of \$100 million on the Idaho Millennium Fund. Once the cap is reached, tobacco settlement receipts and earnings in excess of the \$100 million cap will be transferred annually to the Idaho Millennium Permanent Endowment Fund.

MILLENNIUM INCOME FUND GRANTS

H486 of 2002 created the Joint Millennium Fund Committee, made up of five members of the Senate and five members of the House of Representatives and charged it with reviewing grant applications and providing a funding recommendation to the Legislature, through the Joint Finance-Appropriations Committee (JFAC). There is no specification in law with regard to how the moneys in the Millennium Income Fund shall be used, but the Joint Legislative Millennium Fund Committee has chosen to only consider applications for programs and projects directly related to one or more of the following: (1) tobacco cessation or prevention; (2) substance abuse cessation or prevention; or (3) tobacco or substance abuse related disease treatment. In addition, the committee has determined that funds may not be used for permanent capital improvements or organizational start-up costs. For FY 2019, the committee voted to not solicit or accept grant applications. Decisions related to the Millennium Income Fund will be made by JFAC. Further, JFAC appropriated ongoing funding for the Public Health Districts for tobacco cessation programs, and to the Department of Health and Welfare for Project Filter, a tobacco cessation program, starting in FY 2018.

APPROPRIATIONS/ACTUAL EXPENDITURES

The appropriated amount in the Millennium Fund Program represents moneys appropriated to and expended by non-state organizations. Millennium Income Fund moneys appropriated to state entities are transferred by the State Controller from the Millennium Income Fund to the agency, and are reflected in each individual agency budget.

Idaho Millennium Fund

Agency Profile

Analyst: Tatso

Idaho Millennium Permanent Endowment Fund (0545) Analysis

Fiscal Year	Beginning Market Value	Settlement Deposits	Transfers from Other Funds	Transfers to Income Fund (0499)	Net Interest & Earnings/Losses	Ending Market Value
2000	0	0	0	0	0	0
2001	0	0	0	0	0	0
2002	0	0	0	0	0	0
2003	0	0	0	0	0	0
2004	0	0	0	0	0	0
2005	0	0	0	0	0	0
2006	0	0	0	0	0	0
2007	0	17,640,532	10,000,000	0	454,070	28,094,602
2008	28,094,602	22,802,728	0	0	2,296	50,899,626
2009	50,899,626	24,771,612	0	(474,559)	(8,181,051)	67,015,628
2010	67,015,628	20,791,657	0	(1,729,866)	5,530,576	91,607,995
2011	91,607,995	19,555,587	0	(2,374,778)	21,399,579	130,188,383
2012	130,188,383	19,937,780	161,000	(3,950,037)	1,043,075	147,380,201
2013	147,380,201	19,929,915	0	(5,457,980)	17,887,327	179,739,463
2014	179,739,463	21,960,475	0	(6,446,586)	31,773,318	227,026,669
2015	227,026,669	19,346,216	4,112,658	(7,948,571)	3,587,924	246,124,897
2016	246,124,897	20,237,815	2,378,485	(9,836,840)	1,335,118	260,239,476
2017	260,239,476	18,370,633	488,724	(11,478,493)	33,757,548	301,377,888
2018	301,377,888	18,911,243	0	(11,837,572)	29,357,653	337,809,212
2019 *	337,809,212	20,000,000	4,116,869	(13,571,022)	9,273,574	357,628,633
2020 *	357,628,633	20,000,000	0	(15,815,516)	14,114,233	375,927,349
2021 *	375,927,349	20,000,000	0	(16,820,635)	14,822,276	393,928,991
2022 *	393,928,991	20,000,000	0	(17,719,036)	15,522,195	411,732,150
2023 *	411,732,150	20,000,000	0	(18,602,852)	16,214,571	429,343,869
2024 *	429,343,869	20,000,000	0	(19,476,924)	16,899,511	446,766,456
2025 *	446,766,456	20,000,000	0	(20,341,596)	17,577,096	464,001,956
TOTAL		384,256,193	21,257,736	(183,882,863)	242,370,890	

*SETTLEMENT DEPOSITS. The State Treasurer's Office projects tobacco settlement cash receipts of around \$25 million per year; deposits from the Master Settlement Agreement are expected in perpetuity. Of that amount, 80% or about \$20 million is to be deposited into the Millennium Permanent Endowment Fund (0545) and 20% or about \$5 million into the Idaho Millennium Fund (0540), per Idaho Code.

INTEREST & EARNINGS. Projected earnings assume a 4.0% return on investment from FY 2018 forward.

The Idaho Millennium Permanent Endowment Fund consists of 80% of moneys received each year by the state of Idaho on and after January 1, 2007, pursuant to the Master Settlement Agreement entered into between tobacco product manufacturers and the state, and any other moneys that may be appropriated or otherwise directed to the fund.

Each year, the State Treasurer is to distribute 5% of the fund's average monthly fair market value for the first 12 months of the preceding 24 months, to the Idaho Millennium Income Fund, providing that the distribution does not exceed the fund's fair market value on the first business day of July.

Idaho Millennium Fund

Agency Profile

Analyst: Tatro

Idaho Millennium Fund (0540) Analysis

Fiscal Year	Beginning Market Value	Settlement Deposits	Transfers to/from Other Funds	Transfers to Income Fund (0499)	Net Interest & Earnings/Losses	Ending Market Value
2000	0	29,728,524	0	(386,959)	495,789	29,837,354
2001	29,837,354	22,751,124	0	(1,729,535)	966,577	51,825,520
2002	51,825,520	26,602,063	(19,335,604)	(2,438,933)	(7,327,501)	49,325,545
2003	49,325,545	26,653,835	(70,311,509)	(4,943,065)	(724,805)	0
2004	0	22,818,949	0	0	(61,929)	22,757,020
2005	22,757,020	23,151,453	0	(1,941,119)	621,571	44,588,925
2006	44,588,925	21,253,142	0	(284,669)	2,138,244	67,695,642
2007	67,695,642	4,605,075	(10,000,000)	(1,360,348)	3,418,332	64,358,701
2008	64,358,701	5,700,682	0	(2,533,638)	2,840,943	70,366,688
2009	70,366,688	6,192,903	0	(3,553,869)	1,200,821	74,206,543
2010	74,206,543	5,197,914	0	(3,247,393)	809,811	76,966,875
2011	76,966,875	4,888,897	(4,898,000)	(3,467,581)	1,098,409	74,588,601
2012	74,588,601	4,984,445	(63,088,100)	(3,627,698)	1,298,662	14,155,910
2013	14,155,910	4,982,479	0	(3,700,511)	54,362	15,492,239
2014	15,492,239	5,490,119	15,051	(791,804)	44,462	20,250,067
2015	20,250,067	4,836,554	(15,051)	(586,631)	(59,159)	25,409,396
2016	25,409,396	5,059,454	0	(804,775)	122,515	29,786,589
2017	29,786,589	4,592,658	0	(1,047,813)	252,651	33,584,086
2018	33,584,086	4,727,811	0	(1,296,388)	478,842	37,494,351
2019 *	37,494,351	5,000,000	0	(1,500,448)	279,193	41,273,095
2020 *	41,273,095	5,000,000	0	(1,685,412)	407,451	44,995,134
2021 *	44,995,134	5,000,000	0	(1,867,884)	443,162	48,570,412
2022 *	48,570,412	5,000,000	0	(2,052,761)	477,378	51,995,029
2023 *	51,995,029	5,000,000	0	(2,230,709)	510,143	55,274,463
2024 *	55,274,463	5,000,000	0	(2,401,158)	541,519	58,414,825
2025 *	58,414,825	5,000,000	0	(2,564,381)	571,565	61,422,009
TOTAL		269,218,081	(167,633,213)	(52,045,482)	10,899,007	

**SETTLEMENT DEPOSITS. The State Treasurer's Office projects tobacco settlement cash receipts of around \$25 million per year; deposits from the Master Settlement Agreement are expected in perpetuity. Of that amount, 80% or about \$20 million is to be deposited into the Millennium Permanent Endowment Fund (0545) and 20% or about \$5 million into the Idaho Millennium Fund (0540), per Idaho Code.*

INTEREST & EARNINGS. Return assumptions for FY 2018 through FY 2025 are set at a 1% estimated rate of return.

The Idaho Millennium Fund consists of 20% of moneys received each year by the state of Idaho on and after January 1, 2007, pursuant to the Master Settlement Agreement entered into between tobacco product manufacturers and the state, and any other moneys that may be appropriated or otherwise directed to the fund.

Each year, the State Treasurer is to distribute 5% of the fund's average monthly fair market value for the first 12 months of the preceding 24 months, to the Idaho Millennium Income Fund, providing that the distribution does not exceed the fund's fair market value on the first business day of July. The balance in this fund is never to exceed \$100 million and any amount in excess is to be transferred to the permanent endowment fund.

Idaho Millennium Fund

Analyst: Tatro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2019 Original Appropriation	0.00	0	0	0.00	0	0
FY 2020 Base	0.00	0	0	0.00	0	0
1. Existing Ongoing Grant Information	0.00	0	0	0.00	0	0
2. University of Idaho - Sub Abuse Prgrm	0.00	0	85,000	0.00	0	0
3. Idaho State University - Rx Cessation	0.00	0	82,000	0.00	0	0
4. Recovery Idaho - Recovery Centers	0.00	0	893,400	0.00	0	0
5. Jannus - Suicide Prevention Hotline	0.00	0	120,000	0.00	0	0
6. ID Drug Free Youth - Youth Programs	0.00	0	181,400	0.00	0	0
7. Tobacco Free Idaho Alliance	0.00	0	922,500	0.00	0	0
8. Boys and Girls Club - Youth Empwr Prjct	0.00	0	723,500	0.00	0	0
9. ID Primary Care Assn - Tobacco Prgm	0.00	0	4,500,000	0.00	0	0
FY 2020 Total	0.00	0	7,507,800	0.00	0	0
Change from Original Appropriation	0.00	0	7,507,800	0.00	0	0
% Change from Original Appropriation						

Idaho Millennium Fund

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2019 Original Appropriation	0.00	0	0	0	0
FY 2020 Base					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

1. Existing Ongoing Grant Information

In FY 2012, the Legislature began appropriating \$80,000 to the Office of the State Treasurer for investment fees related to the Idaho Millennium Funds. This was the first time that the Legislature appropriated ongoing moneys from the Idaho Millennium Income Fund. This changed in FY 2018, when the Legislature appropriated ongoing funding for various grant recipients. This included \$2,706,700 to the Department of Health and Welfare for Project Filter, and \$750,000 to the seven Public Health Districts for tobacco cessation programs. In FY 2019, the Legislature appropriated \$2,078,100 in ongoing moneys to the Idaho Department of Correction for treatment services, and \$160,000 to the Department of Health and Welfare for tobacco compliance checks. Also in FY 2019, the Legislature added \$99,800 in ongoing funding for an additional attorney in the Office of the Attorney General to assist with the increasing time commitment needed to litigate with tobacco companies. To date, the Legislature has appropriated \$5,874,600 in ongoing appropriations from the Idaho Millennium Income Fund.

For FY 2020, the constitutional and statutory distribution of funds to the income fund is \$17,500,900. After accounting for the ongoing appropriations of \$5,874,600, the amount available for further distribution is \$11,626,300. The state received grant applications from eight entities; these requests are described in line items 2 through 9. Further, the income fund ended the month of September with a cash balance of \$9,286,700; these moneys will be transferred to the Idaho Millennium Permanent Endowment Fund at the end of FY 2019 in accordance with Section 2 of HB 694.

Agency Request	0.00	0	0	0	0
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The Governor recommends \$17,602,600 for currently appropriated programs, Medicaid expansion, and for the Cancer Data Registry. Of the current programs, the Governor is recommending a 50% reduction for the Department of Correction with the other half being removed in FY 2021. All other adjustments can be found in each agency's respective budgets.

The Governor is also recommending \$101,700 more than is available for distribution in FY 2020. In order for the appropriation to align with cash balances, the Governor recommends that Section 2 of H 694 of 2018 be set aside and not allow the remaining cash balance in the Millennium Income Fund be transferred to the Idaho Millennium Permanent Endowment Fund.

Governor's Recommendation	0.00	0	0	0	0
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Idaho Millennium Fund

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. University of Idaho - Sub Abuse Prgrm					Project ECHO
<p>The University of Idaho (UofI) requests \$85,000 to continue its second year of implementation of Project ECHO (Extension for Community Healthcare Outcomes). This request includes \$62,800 in personnel costs and \$22,200 in operating expenditures with \$14,200 for overhead. According to the Project ECHO founding university (University of New Mexico), the program is "a collaborative model of medical education and care management that empowers clinicians everywhere to provide better care to more people, right where they live. The ECHO model does not actually 'provide' care to patients. Instead, it dramatically increases access to specialty treatment in rural and underserved areas by providing front-line clinicians with the knowledge and support they need to manage patients with complex conditions such as: hepatitis C, HIV, tuberculosis, chronic pain, endocrinology, behavioral health disorders, and many others. It does this by engaging clinicians in a continuous learning system and partnering them with specialist mentors at an academic medical center or hub." Project ECHO launched in Idaho in March 2018, led by the UofI and WWAMI, and has been supported by funding from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services that pass through the Idaho Department of Health and Welfare. WWAMI has implemented the Project ECHO model concerning opioid addiction, but has not expanded all the disciplines previously discussed. Funding for these current efforts is set to expire in January 2019.</p> <p>UofI is also requesting 2.00 FTP and \$361,500 from the General Fund through the WWAMI Medical Education program under the State Board of Education as a line item for Project Echo.</p>					
Agency Request	0.00	0	85,000	0	85,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Idaho State University - Rx Cessation					Pharmacy Guided Cessation
<p>Idaho State University (ISU) requests \$82,000 to increase the number of tobacco cessation aids available to Idahoans trying to quit tobacco through community pharmacies. The request includes \$60,500 for personnel costs, and \$21,500 for operating expenditures, which includes 20% for institution overhead. The request would be implemented through a proposed program called Idaho's Model for Pharmacist-Assisted Cessation of Tobacco (IMPACT). IMPACT uses three approaches to support and promote expansion of tobacco cessation through community pharmacies: 1) connect community pharmacies to existing tobacco cessation resources to promote quitting; 2) prepare pharmacists to expand access to tobacco cessation services to community members; and 3) increase patient awareness and demand for tobacco cessation services at community pharmacies. The IMPACT program will be developed and implemented by an interdisciplinary team of Idaho State University Pharmacy and Public Health faculty members.</p>					
Agency Request	0.00	0	82,000	0	82,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
4. Recovery Idaho - Recovery Centers					Rural Outreach Project
<p>Recovery Idaho requests \$893,400 to expand local recovery community centers to support sober living in Idaho communities. This request includes \$422,800 for personnel costs (89% for salaries and 11% for benefits), \$407,000 for operating expenditures (54% for travel costs, 17% for overhead, and 15% for rent and utilities), and \$63,600 for capital outlay purchases (furniture, computers, and computer accessories/software). State-funded recovery community centers currently operate in eight communities, including Coeur d'Alene, Moscow, Lewiston, Caldwell, Emmett, Boise, Pocatello, and Idaho Falls. In November 2017, a center was founded in Twin Falls with donations and private support. However, Recovery Idaho requests state support to stabilize core services at the Twin Falls center, including staff and operational expenses. Funding is also requested to enhance recovery community centers outreach efforts, especially into rural communities that have fewer resources for treatment and support. Each recovery community center would identify rural communities for new centers or services, develop local development committees, assess local needs, offer evidence-based practice models and related training, employment and vocational skills training, and organize recovery resources available to high-risk local communities.</p>					
Agency Request	0.00	0	893,400	0	893,400
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Idaho Millennium Fund

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
5. Jannus - Suicide Prevention Hotline					
Hotline Capacity and Expansion					
Jannus requests \$120,000 to support the Idaho Suicide Hotline. The request includes \$89,500 for personnel costs to oversee operations and volunteer activities, and \$30,200 for operational needs including \$14,500 for overhead/indirect costs. Jannus receives about \$668,800 from other sources, including the state of Idaho, to operate the hotline. The grant will provide direct services to individuals who are experiencing emotional crises by offering them emotional support and access to resources that aim to prevent self-harm and reduce the number of completed suicides. The hotline was established in November 2012 and in 2013 (first full year of operations) it received 999 calls. In 2017 the hotline received 9,531 calls. The hotline is primarily volunteer staffed and all volunteers/staff receive initial and ongoing training. At the conclusion of each call and once the individual has been "stabilized" the hotline staff will then work with the individual to get connected to community resources that may include cessation or treatment services related to tobacco/alcohol/substance use.					
Agency Request	0.00	0	120,000	0	120,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
6. ID Drug Free Youth - Youth Programs					
IDFY in Action					
Idaho Drug Free Youth (iDFY) requests \$181,400 to continue and expand the iDFY Project. This request includes \$59,500 for personnel costs and \$121,900 for operational needs, of which \$61,000 is for facilities and background checks, \$32,000 for travel, and \$11,200 for materials and supplies. The iDFY project supports three activities: 1) i2i student assemblies; 2) school-based iDFY chapters; and 3) the Youth Summit. This request would allow the project to be expanded into 30 new schools and establish a sustainability model for future years. The i2i assemblies typically last three hours and can accommodate about 120 students, 7th grade through 12th grade. Assembly content is adjusted for each age group, but typically focusses on building healthy relationships and reinforcing aversion to alcohol and drug use. Chapter programs are student clubs where members commit to being drug and alcohol free and are overseen by an advisor. The Youth Summit is a four-day program designed to break down barriers and help students develop or maintain a drug-free life.					
iDFY supplements the cost of the program so schools do not bear the full cost. The proposal seeks funding to expand IDFY into 30 new schools across the state, each with an iDFY Chapter, i2i Student Assembly, and two Youth Summit scholarships (\$92,200). Additionally, iDFY is requesting funding to provide scholarships to 15 schools seeking a Chapter Program, 15 school i2i assemblies, as well as registrations to the Idaho Youth Summit (\$29,400).					
Agency Request	0.00	0	181,400	0	181,400
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
7. Tobacco Free Idaho Alliance					
Prevention & Cessation Marketing Campaign & Toolkit					
The Tobacco Free Idaho Alliance (TFIA) requests \$922,500 to conduct a public information and education campaign, and to develop a toolkit for prevention and cessation. The request includes \$153,000 for personnel costs, all in contracted salaries; and \$769,500 in operating expenditures with 92% for advertising and marketing, 4% for program evaluation, 3% for travel, and 2% for overhead. The information campaign will include traditional broadcast media as well as print and digital media and informational materials. The toolkit will provide recommendations for policy direction and prevention and cessation education that can be implemented statewide to reduce tobacco use, with emphasis on youth use of vapes and e-cigarettes. The requested program will allow for the hiring of contract experts to work under the direction of the TFIA board to research, develop, and create the toolkit and media campaign.					
Agency Request	0.00	0	922,500	0	922,500
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Idaho Millennium Fund

Analyst: Tatro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
8. Boys and Girls Club - Youth Empwvr Prjct		Youth Prevention and Intervention Services			
Boys & Girls Club of Idaho requests \$723,500 for their Youth Empowerment Project. The request includes \$723,500 for personnel costs and \$46,000 for operational needs. The focus of the project is on building self-esteem, instilling good character and citizenship, improving academic skills, and developing positive relationships for youth, ages 6-18. The project offers a holistic youth development service delivery system, versus a single strategy approach to prevention of at-risk behaviors. This request would serve a minimum of 3,300 youth who attend their facilities. The organization did not include the operating expenditures in their total requested amount, but their written application outlines this need. Any state funding appropriated will be matched one-to-one by the clubs, up to the requested amount. In FY 2017, the committee appropriated funding for this same purpose, but the amount was split between personnel costs and operating expenditures and was a total amount of \$423,400.					
Agency Request	0.00	0	723,500	0	723,500
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
9. ID Primary Care Assn - Tobacco Prgm					
The Idaho Primary Care Association (IPCA) requests \$4,500,000 to reduce tobacco use among patients served by Idaho's Federally Qualified Health Centers (FQHC). The request includes \$1,119,400 in personnel costs with 77% in salaries; \$3,356,600 in operating expenditures with \$2,925,000 for nicotine replacement therapy and related prescriptions, \$199,800 for overhead, and \$119,000 for building rent/lease costs; and \$24,000 to purchase laptops. The goal of reducing patient use of tobacco will be accomplished by building a statewide tobacco reduction/cessation infrastructure that is based on a model already in place in Arizona. The requested plan is to use the Millennium Income Funds to hire a full-time tobacco cessation program manager/trainer based at IPCA to oversee the program and provide ongoing training, fund tobacco cessation specialists at each of 15 FQHCs throughout the state, and provide training to all of these employees. The FQHCs will use funds to hire 15 tobacco treatment specialists to train clinic staff at the health centers and conduct outreach programs with patients interested in reducing or eliminating tobacco use.					
Agency Request	0.00	0	4,500,000	0	4,500,000
Not recommended by the Governor.					
Governor's Recommendation	0.00	0	0	0	0
FY 2020 Total					
Agency Request	0.00	0	7,507,800	0	7,507,800
Governor's Recommendation	0.00	0	0	0	0
Agency Request					
Change from Original App	0.00	0	7,507,800	0	7,507,800
% Change from Original App					
Governor's Recommendation					
Change from Original App	0.00	0	0	0	0
% Change from Original App					

Glossary

Annualization

A budgetary adjustment that identifies the remaining full-year costs for budget items that were partially funded in the prior year.

Appropriation

Provides a specific amount of spending authority authorized by the Legislature to an agency or program for a given purpose for a specified period of time.

Continuous or Perpetual Appropriation

An ongoing statutory appropriation of money not set by annual legislative action.

Original Appropriation

Reflects the amounts shown in original appropriation bills before reappropriations (carryover) and supplemental appropriations. In some instances, legislative authority is given to enable an agency to carry over any unexpended balances to the next fiscal year, thus increasing the total appropriated spending authority over the amounts designated in the original appropriation bill.

Supplemental Appropriation

Refers to action taken on current year appropriations. These changes to the original appropriation may add funds or provide transfers between summary objects, funds, programs, or agencies.

Rescission

Refers to action taken on current year appropriations. These changes to the original appropriation rescind or remove previously enacted spending authority in whole or in part.

Classification of Funds

In the *Legislative Budget Book*, the hundreds of funds used by state government in the budgeting process are condensed into three general categories. The appropriation bills, however, cite the specific fund detail for spending authority. The three general categories are:

General

Consists of moneys received by the state from the collection of taxes, and certain licenses and fees not specifically appropriated to any other account, and which are used to finance the general operations of state government.

Dedicated

Dedicated funds are revenue received from a specified source or sources, and spent for a specific function of government as required by law (e.g. the State Highway Fund is partially a collection from motor fuels tax and vehicle registration fees and is dedicated specifically to state highway construction and improvements).

Dedicated funds also include miscellaneous revenue from the sale of goods or services provided to the general public and other political entities. For example, one state agency may require the services of the State Copy Center and payment for this service would be done by transfer, debiting the first agency and crediting the Copy Center.

Federal

Identifies moneys from the federal government for specified state services.

Change in Employee Compensation (CEC)

A budgetary adjustment for changes in salary level or salary structure, and related benefit costs for classified and exempt state employees.

Glossary (continued)

Classification of Expenditures (Object Class)

The state accounting system provides information at three levels of detail. The highest, most standardized level that is used in both the *Legislative Budget Book* and in appropriation bills consists of four summary object classifications:

Personnel Costs (PC)

Includes the salaries of employees, whether full-time, part-time, irregular or seasonal help, and also, includes compensation of members of boards and commissions.

Also included are the employer's share of contributions related to those employees, such as retirement, health and life insurance, worker's compensation, employment security and social security.

Operating Expenditures (OE)

Includes all expenses for private contract services, travel, consumable supplies, software, and minor items of equipment that have an estimated life of less than two years.

Capital Outlay (CO)

Includes all expenses for land, highways, buildings, fixtures and fixed equipment and structures (which also include additions, replacements, major repairs, renovations, and salaries of non-agency personnel in connection therewith). Automobiles, domestic animals, machinery, equipment, and furniture, which will have a useful life or service, substantially more than two years are also included. Budget development guidelines require items to have useful service lives greater than two years to be classified as capital outlay.

Trustee and Benefit Payments (T/B)

Includes payments passed through to an individual (e.g. welfare or retirement benefits) or another governmental entity which provides a service.

Decision Unit (DU)

A decision unit is a specific numbered item in the budget request. DUs are standardized throughout the budget process so that statewide information may be summarized and reported. They are used to identify any change in a performance level and costs associated with that change. Benchmark decision units are the subtotal of all previous decision units.

Deficiency Warrant

Expenditures that are authorized by statute, but for which no specific appropriation is provided until after an actual expense is incurred (e.g. expenses related to fire suppression and agricultural pest eradication).

Encumbrance

Obligations for expenses incurred in a fiscal year but not paid until after the end of that fiscal year.

Fiscal Year

Represents the accounting year used by the state that begins July 1 and runs through June 30 of the following year (e.g. fiscal year 2017 begins July 1, 2016 and ends June 30, 2017).

Full-Time Equivalent Positions (FTP)

The use of FTP's is a means of counting position totals when different amounts of time or hours-worked are involved. For example, a program using two half-time positions has the same personnel requirements as a program using one full-time position. Both programs would reflect 1.00 FTP, although the former would employ two individuals. All budgeted permanent full-time and permanent part-time positions, including limited service positions, are to be

Glossary (continued)

included in the FTP count. Seasonal and temporary help, overtime or other group positions are not reflected in the FTP count.

Fund

A fund is a sum of money accrued from specific sources (see “Classification of Funds”) and set aside for general or specific uses. Note: “fund” and “account” are often used interchangeably.

Fund Shift

Replaces a loss of one fund source with another to maintain existing levels of service.

Group Position

A portion of an agency’s budgeted personnel costs which provides for the compensation of temporary positions and members of certain boards and commissions. These positions are not included in an agency’s total FTP count. For example, seasonal crop inspectors are included in the group positions of the Department of Agriculture.

Inflationary Adjustments

Agencies may request an adjustment that addresses the higher, inflation-driven costs of items such as supplies, travel and postage. A medical inflation adjustment for operating expenditures and trustee and benefit payments is also allowable.

Line Item

Decision units after the Maintenance of Current Operations benchmark that include all program expansions, discretionary adjustments, occupancy costs, new personnel, and some fund shifts.

Lump Sum

Appropriations that provide amounts of spending authority from designated funds, without specifying if they are restricted to Personnel Costs, Operating Expenditures, Capital Outlay and/or Trustee and Benefit payments. Lump sum may also remove limitations on transferring appropriations from one budgeted program to another. Lump sum never gives a state agency the authority to transfer spending authority from one fund to another fund. Since lump sum is an exception to the state budget laws, it requires specific legislative authorization and approval.

Non-Cognizable Funds

Funds available to any state agency from sources other than state funds if not cognizable (known) at the time the appropriations are set. Use of non-cognizable spending authority is granted through the Division of Financial Management on behalf of the Board of Examiners, and is not contingent upon an increase in state liability after the receipt of the non-state funds.

Nondiscretionary Adjustment

Adjustments necessary to maintain current operations over which the agency has no control. These adjustments should be made because of a caseload adjustment. The following criteria are used as a guideline to determine whether the request is a caseload adjustment:

1. Cost adjustment is statutorily and demographically-driven; and
2. Participation in the program is eligibility-driven; and
3. The agency has no ability to control the demographics or eligibility criteria; and
4. The agency has no choice but to provide the service to those meeting the eligibility criteria; and
5. Costs are not associated with the opening of a new or expanded facility.

Glossary (continued)

Object Transfer

State law permits agencies to transfer spending authority from certain standard object classifications to others, e.g. from Personnel Costs to Operating Expenditures. Object transfers have some limitations and require approval by the Division of Financial Management on behalf of the Board of Examiners. Agencies may also request object transfers through the budget process.

Personnel Cost Rollups

A budgetary adjustment for increases in the cost of maintaining a range of employer-paid benefits for state employees such as Social Security, retirement (PERSI), unemployment insurance, health insurance, and sick leave.

Program Maintenance

The level of funding necessary to maintain the same level of service or activity for the coming fiscal year as was provided for in the current fiscal year. Also known as Maintenance of Current Operations (MCO).

Reappropriation or Carryover Authority

Allows unused spending authority from one fiscal year to be carried over into the next fiscal year for onetime expenses. Since this is an exception to the state budget laws and is not provided for in statute, it requires specific legislative authorization and approval.

Reclassify

Upon the request of an agency, a specific position may be reclassified upward or downward as determined by the Division of Human Resources, based on specific job responsibilities. For example, an agency may request an Administrative Assistant 1 position to be reclassified as an Administrative Assistant 2 position.

Refactor

The Division of Human Resources may revise the pay grade for an entire class of positions statewide. For example, the pay grade for all Administrative Assistant 1 positions throughout the state could be refactored from pay grade F to pay grade G based on the type of responsibilities and tasks they are expected to perform. Refactoring frequently results in a pay rate change for that position classification. Refactoring requires approval from the Division of Financial Management if there would be fiscal impact.

Replacement Items

Onetime funding provided for the replacement of certain operating items (e.g. software) and capital outlay items (e.g. computers, furniture) necessary for Maintenance of Current Operations.

Wage and Salary Report

A series of reports produced by the Employee Information System (EIS) of the State Controller's Office that identifies wages, salaries and related benefit costs for all budgeted positions. This report also projects cost increases for the current and following fiscal year.