



Idaho State Controller

Base Review

LBB 6-39

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Budget and Policy Analyst

February 6, 2024

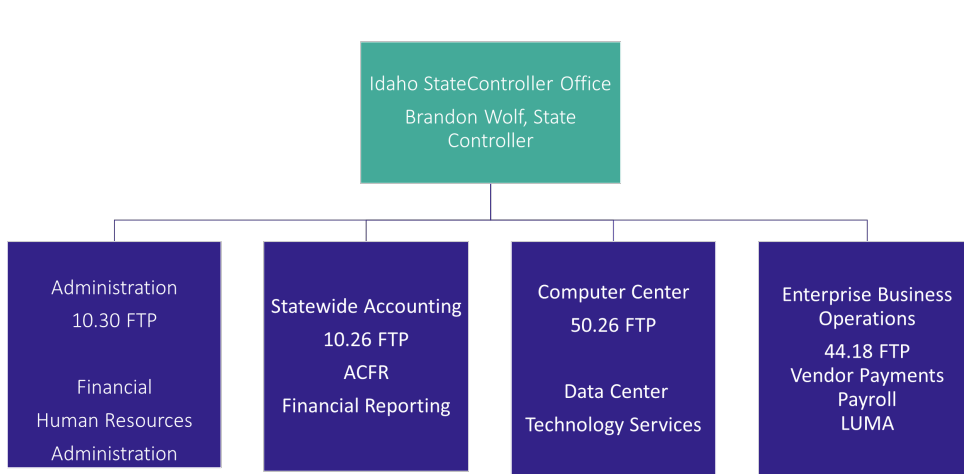
Idaho State Controller's Office

The State Controller is one of seven constitutional officers in Idaho. The office is organized into four programs: Administration, Statewide Accounting, the Computer Service Center, and Enterprise Business Operations. (Statutory Authority: Section 67-1001, Idaho Code). Administration includes central support employees and administrative staff. Administration is also responsible for administering the state's Section 218 Agreement with the federal Social Security Administration pursuant to Section 59-1101A, Idaho Code, Transparent Idaho, Insights, and an MOU Program.

Statewide Accounting prepares statewide and agency-specific financial reports. Statewide Accounting is funded by the General Fund with moneys recovered through the Statewide Cost Allocation Plan. The Computer Service Center maintains one of the State of Idaho's primary data centers and provides computing technologies and environments as well as other technology services including housing, disaster recovery, security, environmental controls, and programming for the Administration, Statewide Accounting, and Enterprise Business Operations divisions, as well as many other state agencies. The division is funded via a dedicated fund appropriation and bills the State Controller's divisions and other agency customers directly for rendered IT services. Enterprise Business Operations houses the sustainment team that maintains and facilitates the State's accounting system of record, which resides within Luma. This division processes vendor payments on behalf of state agencies. EBO also runs the State's payroll solution and is responsible for garnishment processing, tax reporting, and electronic fund transfers, as well as human resources, purchasing, and budget modules. Enterprise Business Operations is currently funded by the General Fund with monies recovered through the Statewide Cost Allocation Plan as well as via funds in the Business Information Infrastructure Fund (BIIF).

The State 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 State 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.

Organizational Structure



115.00 FTP
12.00 Vacant
as of 9/01/2023

Five-year Averages

Authorized FTP: **97.80**

Filled FTP Percentage: **92.98%**

Personnel Cost Appropriated: **\$9,954,140**

Percent of PC Spent on PC: **89.08%**

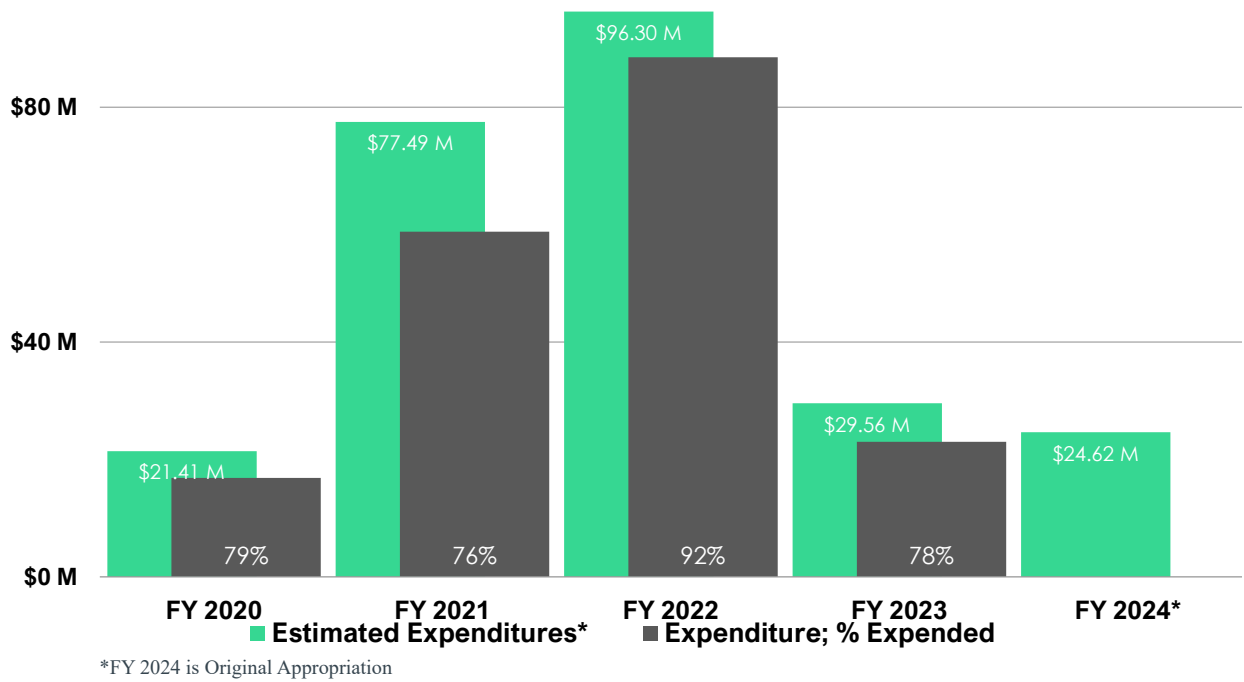


Consolidated Fund Analysis

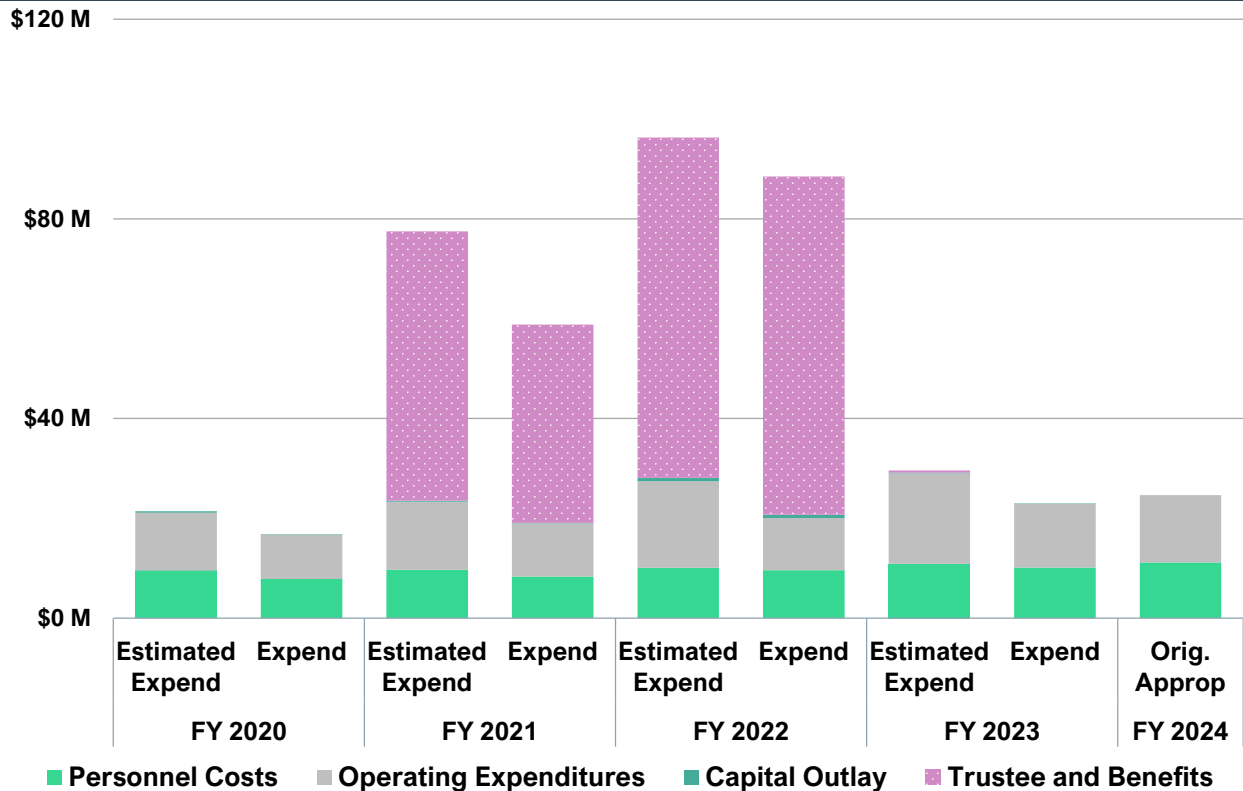
Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Estimate	Estimate
+ Beginning Free Fund Balance	\$46,694,900	\$57,831,900	\$67,737,400	\$63,940,200	\$24,226,500
+ Receipts and Transfers	\$34,616,600	\$36,548,400	\$32,903,700	\$9,543,500	\$9,100,100
- Cash Expenditures & Agency Request	\$23,479,600	\$26,642,900	\$36,700,900	\$49,257,200	\$16,913,800
Ending Free Fund Balance	\$57,831,900	\$67,737,400	\$63,940,200	\$24,226,500	\$16,412,800
By Fund					
A Miscellaneous Revenue Fund	\$4,700	\$4,700	\$4,700	\$4,700	\$4,700
B Data Processing Services	\$2,879,300	\$2,867,800	\$2,110,700	\$1,597,000	\$1,083,300
C Business Information Infrastructure	\$54,947,900	\$64,864,900	\$61,824,800	\$22,624,800	\$15,324,800
Ending Free Fund Balance	\$57,831,900	\$67,737,400	\$63,940,200	\$24,226,500	\$16,412,800



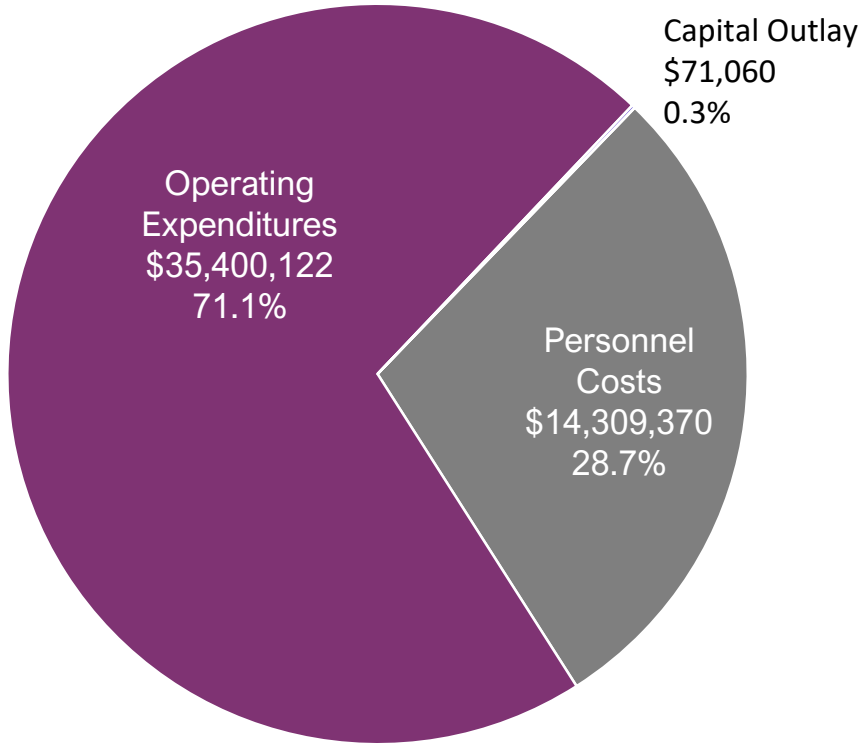
Five-Year Appropriations and Expenditures



Five-Year Appropriations and Expenditures

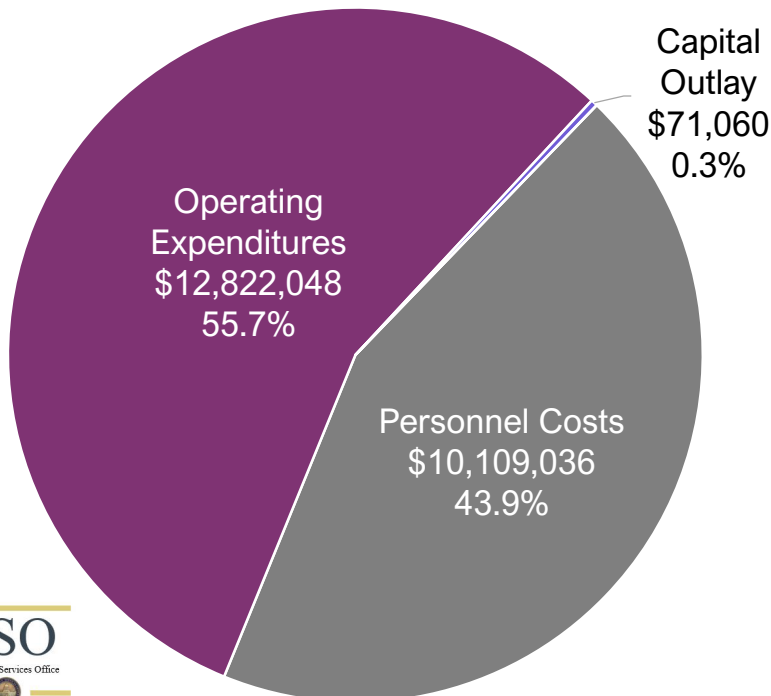


FY 2023 Expenditures

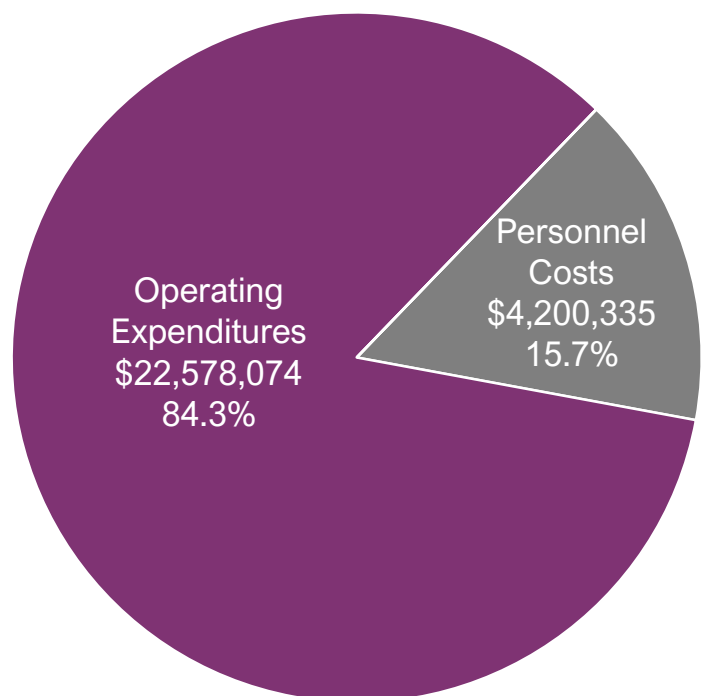


FY 2023 Expenditures

Appropriated



Continuously Appropriated



Five-Year Base Snapshot

Fiscal Year	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*
1. Total FTP	95.00	98.00	104.00	114.00	115.00
2. Current Year Base	18,757,400	18,985,700	19,471,300	23,497,800	24,029,100
3. Benefits Costs	35,600	(50,000)	31,100	48,400	68,000
4. Statewide Cost Allocation	(37,900)	(24,400)	1,300	17,400	40,400
5. Annualizations	6,200				6,700
6. CEC	224,400	171,900	158,900	582,300	308,400
7. Total Ongoing Maintenance Change	228,300	97,500	191,300	648,100	423,500
8. % Chg from Current Year Base (line 7 / 2)	1.2%	0.5%	1.0%	2.8%	1.8%
9. Ongoing Enhancements		300,100	3,835,200	141,400	166,300
10. Ongoing Supplementals		88,000			-
11. Total Ongoing Enhancements Change	0	388,100	3,835,200	141,400	166,300
12. % Chg from Current Year Base (line 11 / 2)	0.0%	2.0%	19.7%	0.6%	0.7%
13. Ongoing Base Adjustments				(\$258,200)	-
14. Next Year Base (line 2 + 7 + 11 + 13)	18,985,700	19,471,300	23,497,800	24,029,100	24,618,900*
15. Total Base Change (line 14 - 2)	228,300	485,600	4,026,500	531,300	589,800
16. % Chg from Current Year Base (line 15 / 2)	1.2%	2.6%	20.7%	2.3%	2.5%

*Next Year Base not set. Ongoing Original Appropriation used instead.



2023 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Financial Specialist Position	Enhancement	\$84,700
Grants Web Portal	Enhancement	\$50,000
Elected Officials Salary (H747)	Enhancement	\$6,700
Total Ongoing Base Change from Enhancements		\$141,400



2024 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Townhall Idaho: Public Meetings Archive	Enhancement	\$60,000
Senior Financial Specialist - ACFR	Enhancement	\$106,300
Total Ongoing Base Change from Enhancements		\$166,300



2025 Budget Request (Supplementals & Enhancements)

Enhancement Name	Amount
New Positions	\$693,300
Ongoing Personnel	\$1,742,200
Budget Realignment	\$0
Cash Transfer	\$0
Budget Law Exemptions	\$0
Total Change from Enhancements	\$2,435,500

Cash Transfer Request	
Business Infrastructure Investment Fund	(\$2,435,500)
General Fund	\$2,435,500
Total	\$0.00

Reappropriation Authority: The agency requests authority to carryover its unencumbered and unspent appropriation balances for the Administration program for development of the Insight behavioral health reporting application from the General Fund from FY 2024 into FY 2025. There was \$2,500,000 appropriated as a supplemental in FY 2022 for behavioral health reporting, and the entire amount was reappropriated into FY 2023, and \$2,199,100 was reappropriated into FY 2024.

The agency also requests carryover for the Computer Service Center Program from the Data Processing Services Fund. Carryover requires legislative approval.



Governor's Recommendation

FY 2024 Enhancement	Amount
Catastrophic Health Care Fund Claims	\$75,000
Total	\$75,000

The Governor recommends reappropriation for the \$75,000 recommended in FY 2024 for the Catastrophic Health Care Fund Claims.



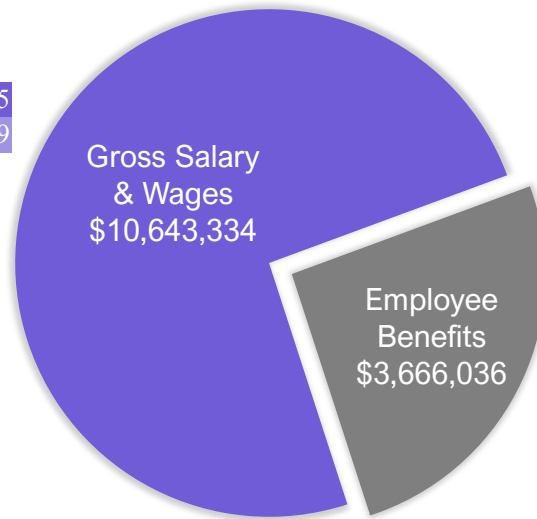
Please feel free to contact me with any questions at (208)334 – 4732 or cotto@Lso.Idaho.gov



FY 2023 Expenditures – Personnel Costs

28.7% of Total Expenditures

Employees	\$10,245,525
Temporary Employees	\$397,809



Group Health Insurance	\$1,524,851
Employer Retirement Contribution	\$1,269,707
Social Security and Medicare	\$790,669
Life Insurance	\$64,744
Workers Compensation	\$16,065

A Total of \$14,309,370 Was Expended on Personnel Costs

This includes both appropriated and continuously appropriated funds.



Expenditures - Operating Expenditures

71.1% of Total Expenditures in FY 2023

Expenditure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% of Total
Computer Services	\$6,061,538	\$19,673,303	\$14,924,852	\$17,162,770	\$26,023,749	73.5%
Professional Services	\$1,012,164	\$1,672,390	\$2,631,272	\$3,333,160	\$3,882,319	11.0%
Repair & Maintenance Services	\$1,556,235	\$1,351,971	\$2,301,097	\$2,022,706	\$2,241,117	6.3%
General Services	\$45,529	\$161,533	\$1,050,693	\$1,326,201	\$1,623,986	4.6%
Computer Supplies	\$129,195	\$70,582	\$235,224	\$245,689	\$522,892	1.5%
Rentals & Operating Leases	\$372,629	\$123,514	\$213,606	\$5,012	\$428,535	1.2%
Communication Costs	\$199,240	\$201,475	\$206,978	\$188,222	\$417,710	1.2%
Employee Development Costs	\$47,867	\$290,382	\$51,494	\$118,148	\$127,775	0.4%
Miscellaneous Expenditures	\$24,013	\$28,851	\$34,303	\$49,570	\$72,738	0.2%
Employee Travel Costs	\$26,994	\$23,521		\$10,312	\$35,206	0.1%
Administrative Supplies	\$28,625	\$69,727	\$5,563	\$10,190	\$12,936	0.0%
Insurance	\$89,162	\$50,782	\$18,070	\$4,909	\$8,663	0.0%
Specific Use Supplies	\$561	\$722	\$225	\$1,020	\$1,240	0.0%
Administrative Services	\$15,343	\$2,260	\$5,450	\$7,126	\$884	0.0%
Repair & Maintenance Supplies	\$63	\$2,092	\$511	\$843	\$293	0.0%
Fuel & Lubricant Costs		\$13		\$1,458	\$79	0.0%
Institutional & Residential Supplies			\$412			-
Total	\$9,609,159	\$23,723,117	\$21,679,749	\$24,487,336	\$35,400,122	-

This includes both appropriated and continuously appropriated funds.



Expenditures – Capital Outlay

0.1% of Total Expenditures in FY 2023

Expenditure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% of Total
Computer Equipment	\$366,493	\$13,879	\$117,765	\$578,598	\$48,907	68.8%
Office Equipment	\$3,466	\$555,040	\$738	\$45,642	\$17,277	24.3%
Building & Improvements	\$62,659	\$996,767	\$23,013	\$61,490	\$3,582	5.0%
Specific Use Equipment			\$2,216	\$2,300	\$1,293	1.8%
Total	\$432,618	\$1,565,686	\$143,731	\$688,030	\$71,060	-

This includes both appropriated and continuously appropriated funds.



Expenditures – Trustee and Benefit Payments

0.0% of Total Expenditures in FY 2023

Expenditure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% of Total
Federal Payments To Subgrantees			\$39,734,377	\$67,788,706		-
Total	\$0	\$0	\$39,734,377	\$67,788,706	\$0	-



2020 Budget Enhancements

No Ongoing 2020 Budget Enhancements



2021 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Criminal Justice Data System (432aa)	Enhancement	\$298,800
OITS 1 - Operating Costs	Enhancement	\$1,300
Local Government Reporting (H73)	Supplemental	\$88,000
Total Ongoing Base Change from Enhancements		\$388,100



2022 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Meeting Notice Website	Enhancement	\$125,000
Local Government Reporting (H73)	Enhancement	\$1,410,200
CRF Compliance and Audit	Enhancement	\$2,300,000
Total Ongoing Base Change from Enhancements		\$3,835,200



Agency Funds – Sources and Uses

Fund: Business Information Infrastructure

Sources: H493 of 2018 amended Chapter 10, Title 67, Idaho Code, with the addition of Sections 67-1021A through 67-1021C. Section 67-1021A, Idaho Code, authorized the State Controller to modernize and replace the state's accounting, payroll, human resources, budget, and procurement systems. Section 67-1021C, Idaho Code, created the Business Information Infrastructure Fund, a continuously appropriated fund to be used for the procurement and implementation of a statewide enterprise resource planning (ERP) system. Section 67-1021A(2) created a revenue stream for the project by redirecting the indirect cost recovery funds assessed by the Division of Financial Management under the annual statewide indirect cost allocation plan pursuant to Section 67-3531, Idaho Code, from the General Fund to the Business Information Infrastructure Fund for a period of five years until and including June 30, 2022. Annual revenues from the Indirect Cost Recovery Fund have averaged approximately \$21,131,600 per year from June 30, 2018 through June 30, 2021. H729 of 2022 amended Chapter 10, Title 67, Idaho Code to extend the redirection of indirect cost recovery funds into the Business Information Infrastructure Fund until and including June 30, 2023, provide for continuous appropriation until June 30, 2025, and add sustainment of the state's enterprise resource planning system as a use of the fund. Starting in FY 2026, the State Controller intends to seek legislative appropriation from the fund and to bill agencies directly for use of the enterprise resource planning system.

Uses: The Business Information Infrastructure Fund is a continuously appropriated fund to be used for the procurement, implementation and sustainment of a statewide enterprise resource planning (ERP) system including, but not necessarily limited to, financial, payroll, budget, human capital management, and procurement systems (Section 67-1021C, Idaho Code). The estimated replacement cost of the state's accounting, payroll, human resources, budget, and procurement systems is approximately \$102,000,000 over a projected five-year project timeline.



Agency Funds – Sources and Uses

Fund: Miscellaneous Revenue

Sources: Registration fees for the payroll and accounting conference appropriated equally between the Division of Statewide Accounting and the Division of Statewide Payroll. FY 2009 is the first year the State Controller received an appropriation from this fund.

Uses: Moneys accumulated in this fund are subject to appropriation and are used to pay for expenses related to the annual payroll and accounting conference.



Agency Funds – Sources and Uses

Fund: Data Processing Services

Sources: Billings to state agencies that utilize the various computing technologies and environments as well as other technology services including housing, disaster recovery, security, environmental controls, and programming. The Computer Service Center maintains Idaho's largest state data center and provides technology services to the Accounting and Payroll divisions, as well as many other state agencies. The division bills the Controller's divisions internally and agency customers directly for IT services, per Section 67-1001, Idaho Code.

Uses: To provide personnel costs, operating expenditures and capital outlay acquisitions for the Computer Service Center.

