

## SUMMARY OF RECOMMENDED BUDGET ADJUSTMENTS

### State Aid, Technical Colleges, Higher Education, and Education

- Includes State Aid to K-12 Education, Technical Colleges, Higher Education, and the Department of Education.
- \$13.0M increase out of \$47.4M total ongoing general fund increase.
- \$1.1B out of \$2.5B, or 45.3%, of total ongoing general funds.
- \$2.0B out of \$7.3B, or 27.7%, of total ongoing funds.

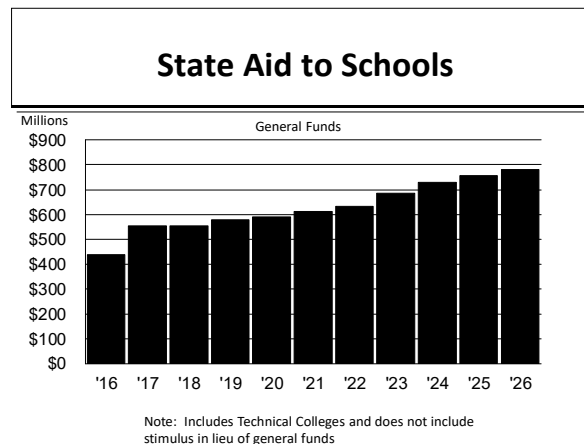
State Aid to K-12 Education	FTE	General	Federal	Other
State Aid to General Education		\$14,630,187		
State Aid to Special Education		\$7,742,362		
Sparsity		\$229,335		
National Board of Certified Counselors		(\$87,625)		
Technology in Schools		(\$915,643)		
<b>Total</b>	<b>0.0</b>	<b>\$21,598,616</b>	<b>\$0</b>	<b>\$0</b>

- Increase of \$14,360,187 in general funds for State Aid to General Education due to 1.25% inflation on the target teacher salary and an increase in enrollments.
- Increase of \$7,742,362 in general funds due to 1.25% inflationary increase on each of the six special education disability categories.
- Increase of \$229,335 in general funds for sparsity payments due to 1.25% inflation and an adjustment in enrollments in sparse districts.
- Decrease of \$87,625 in general funds for the elimination of the stipend program for teachers and counselors who receive National Board of Certification.
- Decrease of \$915,643 in general funds to eliminate funding for Digital Dakota Network and the Career Ready program, a reduction in the Statewide Mentoring program, and the addition of the School Safety program.

State Aid to Technical Colleges	FTE	General	Federal	Other
Technical Colleges Formula		\$442,300		
Bond Payments		\$135,647		
Maintenance and Repair		(\$824,007)		
<b>Total</b>	<b>0.0</b>	<b>(\$246,060)</b>	<b>\$0</b>	<b>\$0</b>

- Increase of \$442,300 in general funds for the Technical Colleges formula due to 1.25% inflation in the per student allocation.
- Increase of \$135,647 in general funds to align funding with bond payment schedules.

- Decrease of \$824,007 in general funds to fund the state’s share of maintenance and repair at 1.25% of replacement value.



Education	FTE	General	Federal	Other
Education Savings Accounts	3.0	\$4,000,000		
Jobs for America’s Graduate Affiliation Fee		\$30,000		
Enhanced Federal Medical Assistance Percentage (FMAP)		\$12,366	(\$12,366)	
Federal Medical Assistance Percentage (FMAP)		\$9,991	(\$9,991)	
South Dakota Public Broadcasting Advertising		(\$28,000)		
TeachInSD Website		(\$75,860)		
Dual Credit		(\$921,732)		
State Library	(12.5)	(\$1,030,267)	(\$1,399,443)	
Comprehensive State Literacy Grant			\$13,275,219	
Federal Authority Adjustment	3.0		(\$46,292,689)	
<b>Total</b>	<b>(6.5)</b>	<b>\$1,996,498</b>	<b>(\$34,439,270)</b>	<b>\$0</b>

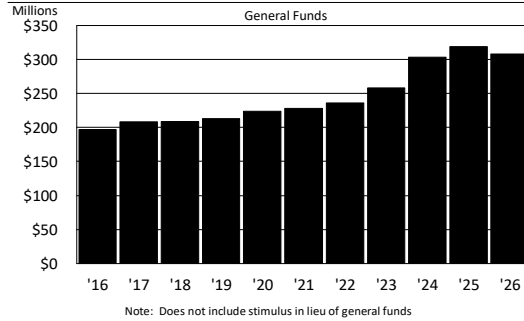
- Increases of 3.0 FTE and \$4,000,000 in general funds to support students through Education Savings Accounts.
- Increase of \$30,000 in general funds to maintain national affiliation with the Jobs for America’s Graduates program.
- Increase of \$12,366 in general funds with a corresponding decrease in federal fund expenditure authority in the Birth to Three program due to the end of the 5% enhanced FMAP from Medicaid Expansion.
- Increase of \$9,991 in general funds with a corresponding decrease in federal fund expenditure authority in the Birth to Three program due to the change in FMAP.
- Decrease of \$28,000 in general funds to eliminate advertising with South Dakota Public Broadcasting.
- Decrease of \$75,860 in general funds to eliminate the TeachInSD website.
- Decrease of \$921,732 in general funds for the Dual Credit program to align budget with anticipated utilization, reduce the state share of support to 50%, and cover inflationary increases for maintenance costs of the Dual Credit system.

- Decreases of 12.5 FTE, \$1,030,267 in general funds, and \$1,399,443 in federal fund expenditure authority to reduce the State Library.
- Increase of \$13,275,219 in federal fund expenditure authority to support the state’s literacy plan.
- Increase of 3.0 FTE and a decrease of \$46,292,689 in federal fund expenditure authority to align budget with anticipated federal awards.

<b>Board of Regents</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Utilities		\$706,848		
Emergency Medicine Residency	1.1	\$300,000		
Bond Payments		(\$4,366)		
Digital Dakota Network	1.0	(\$296,000)		
Board of Regents Reduction		(\$2,000,000)		
Maintenance and Repair		(\$9,088,656)		
Authority Adjustments	24.0		\$1,000,000	\$15,991,000
Cybersecurity Technology Funding				\$2,750,000
Precision Agriculture Building Bond Payoff				(\$900,000)
<b>Total</b>	<b>26.1</b>	<b>(\$10,382,174)</b>	<b>\$1,000,000</b>	<b>\$17,841,000</b>

- Increase of \$706,848 in general funds for changes in utilities based on EnergyCap projections.
- Increases of 1.1 FTE and \$300,000 in general funds for the creation of the Emergency Medicine Residency program at the Sanford School of Medicine.
- Decrease of \$4,366 in general funds to align funding with bond payment schedules.
- Increase of 1.0 FTE and a decrease of \$296,000 in general funds due to course delivery alternatives through Northern State University.
- Decrease of \$2,000,000 in general funds to decrease state support of operations within the Board of Regents.
- Decrease of \$9,088,656 in general funds to fund maintenance and repair at 1.25% of replacement value.
- Increases of 24.0 FTE, \$1,000,000 in federal fund expenditure authority, and \$15,991,000 in other fund expenditure authority to align budget with anticipated expenses.
- Increase of \$2,750,000 in other fund expenditure authority for the Board of Regents for ongoing maintenance costs for cybersecurity technology.
- Decrease of \$900,000 in other fund expenditure authority to pay off bonds for the Precision Agriculture Building with one-time funds.

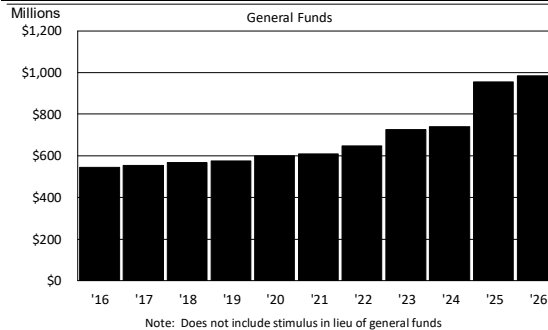
## Board of Regents



## Health, Human, and Social Services

- Includes the Departments of Health, Human Services, and Social Services.
- \$29.6M increase out of \$47.4M total ongoing general fund increase.
- \$984.6M out of \$2.5B, or 40.1%, of total ongoing general funds.
- \$2.7B out of \$7.3B, or 37.1%, of total ongoing funds.

## Health, Human, and Social Services



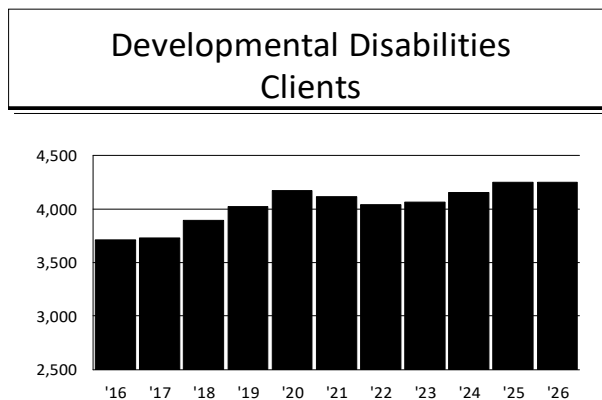
Health	FTE	General	Federal	Other
Sioux Falls One-Stop		\$370,745	\$330,096	\$39,796
Office of Licensure and Certification		\$267,266		
Rural Residency		\$70,821	(\$55,438)	
Health Protection Inspections		\$32,856		
Emergency Medical Services Trauma Registry		(\$25,000)		
Rural Experiences for Health Professions		(\$50,000)		
Office of Disease Prevention Public Outreach		(\$225,000)		
Bright Start Utilization Adjustment		(\$300,000)		
Office of Child and Family Services	2.0		\$231,326	
Forensic Testing	3.0			\$331,376
Boards and Commissions	(0.1)			\$113,356
Tobacco Funding				(\$3,000,000)
<b>Total</b>	<b>4.9</b>	<b>\$141,688</b>	<b>\$505,984</b>	<b>(\$2,515,472)</b>

- Increases of \$370,745 in general funds, \$330,096 in federal fund expenditure authority, and \$39,796 in other fund expenditure authority for leased space at the Sioux Falls One-Stop.
- Increase of \$267,266 in general funds to support the Office of Licensure and Certification due to increased complaints against nursing homes and assisted living facilities.
- Increase of \$70,821 in general funds and decrease of \$55,438 in federal fund expenditure authority for 1.25% provider inflation and FMAP changes within the Rural Residency program.
- Increase of \$32,856 in general funds for health protection inspections.
- Decrease of \$25,000 in general funds to eliminate the trauma registry system.
- Decrease of \$50,000 in general funds for the Rural Experiences for Health Professions program.
- Decrease of \$225,000 in general funds to eliminate funding for public outreach within the Office of Disease Prevention.
- Decrease of \$300,000 in general funds to reduce coverage for the Bright Start program in areas with low demand.
- Increases of 2.0 FTE and \$231,326 in federal fund expenditure authority to reduce maternal mortality and increase newborn screening tests in communities within the Office of Child and Family Services.
- Increases of 3.0 FTE and \$331,376 in other fund expenditure authority to assist with the forensic testing workload at the Public Health Lab.
- Decrease of 0.1 FTE and an increase of \$113,356 in other fund expenditure authority for various changes throughout the department's boards and commissions.
- Decrease of \$3,000,000 in other fund expenditure authority to reduce funding for tobacco prevention.

Human Services	FTE	General	Federal	Other
Enhanced Federal Medical Assistance Percentage (FMAP)		\$31,338,573	(\$32,363,495)	\$1,024,922
Federal Medical Assistance Percentage (FMAP)		\$12,649,415	(\$13,063,484)	\$414,069
Provider Inflation		\$4,105,523	\$4,377,703	\$129,605
Agency with Choice		\$1,489,615	\$1,553,308	
Sioux Falls One-Stop		\$176,780	\$224,993	
Utilities		\$17,032	\$18,108	
Food Services		\$8,863	\$9,424	
Subsidized Assisted Living		(\$1,093,518)		
Utilization Adjustments		(\$22,314,082)	(\$324,195)	\$23,406
<b>Total</b>	<b>0.0</b>	<b>\$26,378,201</b>	<b>(\$39,567,638)</b>	<b>\$1,592,002</b>

- Increases of \$31,338,573 in general funds and \$1,024,922 in other fund expenditure authority and a corresponding decrease in federal fund expenditure authority due to the end of the 5% enhanced FMAP from Medicaid Expansion.
- Increases of \$12,649,415 in general funds and \$414,069 in other fund expenditure authority and a corresponding decrease in federal fund expenditure authority for the change in FMAP.

- Increases of \$4,105,523 in general funds, \$4,377,703 in federal fund expenditure authority, and \$129,605 in other fund expenditure authority for provider inflation of 1.25%.
- Increases of \$1,489,615 in general funds and \$1,553,308 in federal fund expenditure authority due to program adjustments associated with Agency with Choice.
- Increases of \$176,780 in general funds and \$224,993 in federal fund expenditure authority for leased space at the Sioux Falls One-Stop.
- Increases of \$17,032 in general funds and \$18,108 in federal fund expenditure authority for utilities based on EnergyCap projections at the South Dakota Developmental Center.
- Increases of \$8,863 in general funds and \$9,424 in federal fund expenditure authority for increased food costs at the South Dakota Developmental Center.
- Decrease of \$1,093,518 in general funds to eliminate the Subsidized Assisted Living program.
- Decreases of \$22,314,082 in general funds and \$324,195 in federal fund expenditure authority and an increase of \$23,406 in other fund expenditure authority to align budgets of Developmental Disabilities, In-Home Services, Nursing Homes, and Assisted Living with anticipated expenditures.



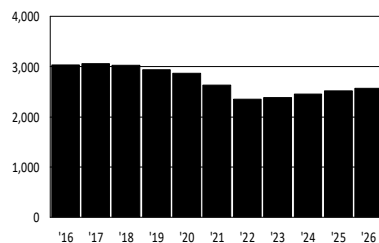
<b>Social Services</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Enhanced Federal Medical Assistance Percentage (FMAP)		\$33,546,341	(\$33,546,341)	
Federal Medical Assistance Percentage (FMAP)		\$14,970,503	(\$14,970,503)	
Mandatory Inflation		\$10,839,297	\$7,300,551	
Provider Inflation		\$5,983,077	\$11,068,206	
Software Licensing		\$2,595,966	\$4,500,000	
Regional Behavioral Health Centers		\$1,269,246	\$3,181,414	
Sioux Falls One-Stop		\$1,227,830	\$665,720	
Food Services		\$1,196,303		
Social Service Aides	10.0	\$517,634	\$91,347	
Utilities		\$80,195		
Renal Disease Program		(\$30,458)		
Itinerate Field Offices		(\$50,000)		
Behavioral Health Programming FTE	(1.0)	(\$75,000)		
Meth Prevention		(\$250,000)		
Adoption Home Studies		(\$311,708)		
988 Crisis Hotline		(\$412,432)	\$412,432	

Technology Replacement		(\$800,000)		
Indigent Medication Program		(\$1,011,604)		
Medicaid Expansion FTE	(27.0)	(\$1,025,507)	(\$1,025,507)	
Graduate Medical Education		(\$1,747,083)	(\$1,857,380)	
Transfer of Food Service to DOC		(\$2,619,700)		
Medicaid Expansion Eligibles, Utilization, & Cost		(\$3,850,261)	\$3,725,341	
Medicaid and CHIP Eligibles, Utilization, & Cost		(\$4,500,026)	(\$13,361,023)	
Temporary Assistance for Needy Families		(\$5,300,000)	\$5,300,000	
Utilization Adjustment		(\$15,500,000)	(\$11,000,000)	
5% Enhanced FMAP Buy-Down		(\$31,668,300)		
Federal Fund Expenditure Authority			\$9,735,275	
Board of Social Work Examiners				\$2,650
<b>Total</b>	<b>(18.0)</b>	<b>\$3,074,313</b>	<b>(\$29,780,468)</b>	<b>\$2,650</b>

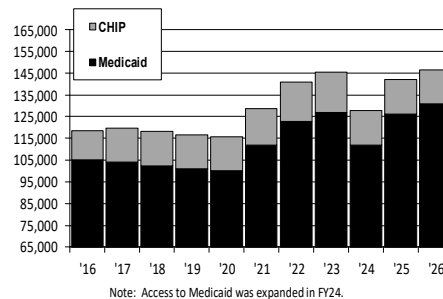
- Increase of \$33,546,341 in general funds with a corresponding decrease in federal fund expenditure authority due to the end of the 5% enhanced FMAP from Medicaid Expansion.
- Increase of \$14,970,503 in general funds with a corresponding decrease in federal fund expenditure authority for the change in FMAP.
- Increases of \$10,839,297 in general funds and \$7,300,551 in federal fund expenditure authority for mandatory increases for Federally Qualified Health Centers, Rural Health Clinics, Prescription Drugs, Medicare Parts A, B, D, and crossover co-pays.
- Increases of \$5,983,077 in general funds and \$11,068,206 in federal fund expenditure authority for 1.25% provider inflation.
- Increases of \$2,595,966 in general funds and \$4,500,000 in federal fund expenditure authority for software licensing costs of the Benefit and Eligibility Enrollment System and the Licensing and Accreditation System.
- Increases of \$1,269,246 in general funds and \$3,181,414 in federal fund expenditure authority for operational costs of Regional Behavioral Health Centers that stabilize individuals that have been involuntarily committed.
- Increases of \$1,227,830 in general funds and \$665,720 in federal fund expenditure authority for leased space at the Sioux Falls One-Stop.
- Increase of \$1,196,303 in general funds for increased food costs at the Human Services Center.
- Increases of 10.0 FTE, \$517,634 in general funds, and \$91,347 in federal fund expenditure authority for aides to assist Child Protection Services staff with safety and transportation.
- Increase of \$80,195 in general funds for changes in utilities based on EnergyCap projections.
- Decrease of \$30,458 to eliminate the renal disease program.
- Decrease of \$50,000 to eliminate itinerate field offices.
- Decreases of 1.0 FTE and \$75,000 in general funds to align the number of staff in Behavioral Health with projected workload.
- Decrease of \$250,000 in general funds to eliminate funds used for meth prevention marketing campaigns.
- Decrease of \$311,708 to eliminate reimbursement for private adoption home studies.

- Decrease of \$412,432 in general funds with a corresponding increase in federal fund expenditure authority for the operation of the 988 Crisis Hotline.
- Decrease of \$800,000 in general funds to decrease frequency with which technology is replaced.
- Decrease of \$1,011,604 in general funds to eliminate the indigent medication program.
- Decreases of 27.0 FTE, \$1,025,507 in general funds, and \$1,025,507 in federal fund expenditure authority to align the number of Medicaid Expansion FTE with projected caseload.
- Decreases of \$1,747,083 in general funds and \$1,857,380 in federal fund expenditure authority to eliminate the graduate medical program.
- Decrease of \$2,619,700 in general funds to transfer the cost of inmate food service from the Human Services Center to the Yankton Minimum Unit. There is a corresponding increase in the Department of Corrections.
- Decrease of \$3,850,261 in general funds and an increase of \$3,725,341 in federal fund expenditure authority for less than anticipated Medicaid Expansion enrollments, utilization, and costs.
- Decreases of \$4,500,026 in general funds and \$13,361,023 in federal fund expenditure authority for less than anticipated Medicaid enrollments, utilization, and costs.
- Decrease of \$5,300,000 in general funds with a corresponding increase in federal fund expenditure authority to eliminate general funds in excess of required match for the Temporary Assistance to Needy Families grant.
- Decreases of \$15,500,000 in general funds and \$11,000,000 in federal funds to align the budgets of Economic Assistance, Medical Services, Childrens Services, and Behavioral Health with historical utilization.
- Decrease of \$31,668,300 in general funds that were set aside to buy down the cost of the 5% enhanced FMAP.
- Increase of \$9,735,275 in federal fund expenditure authority to align budget with anticipated federal awards.
- Increase of \$2,650 in other fund expenditure authority to align budget with anticipated expensed for the Board of Social Work Examiners.

TANF Case Load in South Dakota



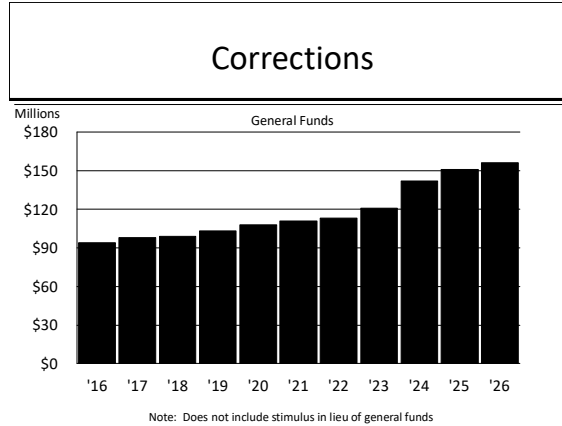
Medical Assistance Case Loads in South Dakota





## Corrections

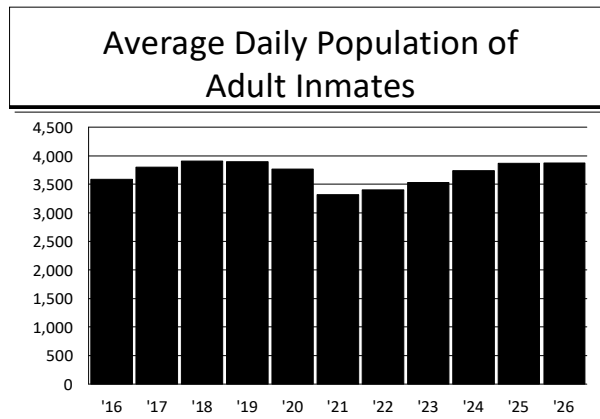
- Includes the Department of Corrections.
- \$5.1M increase out of \$47.4M total ongoing general fund increase.
- \$156.2M out of \$2.5B, or 6.4%, of total ongoing general funds.
- \$164.7M out of \$7.3B, or 2.3%, of total ongoing funds.



Corrections	FTE	General	Federal	Other
Transfer of Food Service from DSS		\$2,619,700		
Correctional Healthcare		\$954,732		
Food Services		\$452,492		
Juvenile Placements		\$375,005	(\$486,479)	
Sioux Falls One-Stop		\$364,077		
Utilities		\$291,229		
Provider Inflation		\$176,057	\$21,203	
Enhanced Federal Medical Assistance Percentage (FMAP)		\$164,587	(\$164,587)	
Federal Medical Assistance Percentage (FMAP)		\$66,493	(\$66,493)	
Warden Salary Swap		(\$128,400)		\$128,400
Employee Travel		(\$280,000)		
<b>Total</b>	<b>0.0</b>	<b>\$5,055,972</b>	<b>(\$696,356)</b>	<b>\$128,400</b>

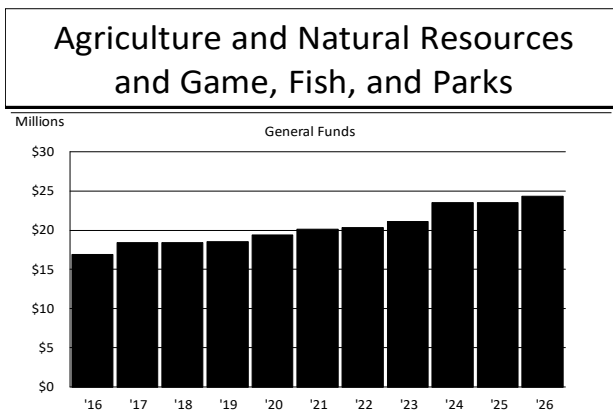
- Increase of \$2,619,700 in general funds to transfer the cost of inmate food service from the Human Services Center to the Yankton Minimum Unit. There is a corresponding decrease in the Department of Social Services.
- Increase of \$954,732 in general funds due to increased inmate medical expenses at the state's correctional facilities.
- Increase of \$452,492 in general funds for food services due to increased offender populations at the state's correctional facilities.
- Increase of \$375,005 in general funds and a decrease of \$486,479 in federal fund expenditure authority due to projected changes in juvenile placements.
- Increase of \$364,077 in general funds for leased space at the Sioux Falls One-Stop.

- Increase of \$291,229 in general funds for changes in utilities based on EnergyCap projections.
- Increases of \$176,057 in general funds and \$21,203 in federal fund expenditure authority for provider inflation of 1.25%.
- Increase of \$164,587 in general funds with a corresponding decrease in federal fund expenditure authority due to the end of the 5% enhanced FMAP from Medicaid Expansion.
- Increase of \$66,493 in general funds with a corresponding decrease in federal fund expenditure authority for the change in FMAP.
- Decrease of \$128,400 in general funds with a corresponding increase in other fund expenditure authority to cover warden salary expense based on available funding sources.
- Decrease of \$280,000 in general funds to reduce employee travel and decreased inmate transportation costs.



**Agriculture and Natural Resources and Game, Fish, and Parks**

- Includes the Departments of Agriculture and Natural Resources and Game, Fish, and Parks.
- \$1.8M decrease out of \$47.4M total ongoing general fund increase.
- \$22.5M out of \$2.5B, or 0.9%, of total ongoing general funds.
- \$226.9M out of \$7.3B, or 3.1%, of total ongoing funds.



<b>Agriculture and Natural Resources</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Sioux Falls One-Stop		\$65,845	\$101,787	\$33,642
Vacant Positions	(2.0)	(\$190,000)		
Concentrated Animal Feeding Operation (CAFO) Fee Increase		(\$350,000)		\$350,000
Authority Adjustments			\$5,247,024	\$816,358
Boards and Commissions				\$3,272,517
Animal Disease Research and Diagnostic Lab Bond Payoff				(\$3,350,000)
<b>Total</b>	<b>(2.0)</b>	<b>(\$474,155)</b>	<b>\$5,348,811</b>	<b>\$1,122,517</b>

- Increases of \$65,845 in general funds, \$101,787 in federal fund expenditure authority, and \$33,642 in other fund expenditure authority for leased space at the Sioux Falls One-Stop.
- Decreases of 2.0 FTE and \$190,000 in general funds to eliminate vacant positions.
- Decrease of \$350,000 in general funds with a corresponding increase in other fund expenditure authority to reflect funding adjustments due to CAFO fee increase.
- Increases of \$5,247,024 in federal fund expenditure authority and \$816,358 in other fund expenditure authority to align budget with anticipated expenses.
- Increase of \$3,272,517 in other fund expenditure authority for various changes throughout the department's boards and commissions.
- Decrease of \$3,350,000 in other fund expenditure authority to pay off bonds for the Animal Disease Research and Diagnostic Lab with one-time funds.

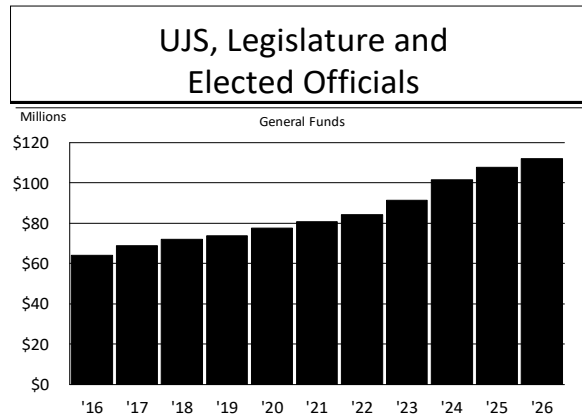
<b>Game, Fish, and Parks</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Bond Payment		(\$2,355)		
Salary Funding Swap		(\$500,000)		\$500,000
Fish Hatchery Bond Payoff		(\$793,655)		
Parks & Recreation Capital Development			(\$164,500)	\$795,000
<b>Total</b>	<b>0.0</b>	<b>(\$1,296,010)</b>	<b>(\$164,500)</b>	<b>\$1,295,000</b>

- Decrease of \$2,355 in general funds to align funding with bond payment schedules.
- Decrease of \$500,000 in general funds with a corresponding increase in other fund expenditure authority to utilize park fee revenue for seasonal employee salaries.
- Decrease of \$793,655 in general funds to pay off bonds for Fish Hatcheries with one-time funds.
- Decrease of \$164,500 in federal fund expenditure authority and an increase of \$795,000 in other fund expenditure authority to align the Parks & Recreation capital development budget with planned projects.

### **Legislature, Unified Judicial System, Public Utilities Commission, and Elected Officials**

- Includes the Legislature, Unified Judicial System, Public Utilities Commission, Office of the Attorney General, Secretary of State, School and Public Lands, Office of the State Auditor, and Office of the State Treasurer.

- \$1.3M increase out of \$47.4M total ongoing general fund increase.
- \$108.9M out of \$2.5B, or 4.4%, of total ongoing general funds.
- \$221.9M out of \$7.3B, or 3.0%, of total ongoing funds.



Legislature	FTE	General	Federal	Other
Auditor Positions	2.0	\$319,452		
Legislative Salaries		\$172,348		
<b>Total</b>	<b>2.0</b>	<b>\$491,800</b>	<b>\$0</b>	<b>\$0</b>

- Increases of 2.0 FTE and \$319,452 in general funds in the Department of Legislative Audit for additional auditors.
- Increase of \$172,348 in general funds in the Legislative Research Council to align budget with the actual legislator salary.

Unified Judicial System	FTE	General	Federal	Other
Sioux Falls One-Stop		\$153,390		
Circuit Court Staff Attorney	1.0	\$107,334		
Provider Inflation		\$42,876		
IT Operating Expenses				\$906,596
<b>Total</b>	<b>1.0</b>	<b>\$303,600</b>	<b>\$0</b>	<b>\$906,596</b>

- Increase of \$153,390 in general funds for leased space at the Sioux Falls One-Stop.
- Increases of 1.0 FTE and \$107,334 in general funds for a Circuit Court Staff Attorney in the Third Circuit.
- Increase of \$42,876 in general funds for provider inflation of 1.25%.
- Increase of \$906,596 in other fund expenditure authority for software maintenance costs.

Public Utilities Commission	FTE	General	Federal	Other
No Changes				
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- No changes recommended to the FY2026 budget.

<b>Attorney General</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Tribal Law Enforcement Training Class		\$176,985		
Inmate Prosecution	1.0	\$139,448		
Case Management System		\$92,400		
Internet Crimes Against Children		\$53,800		
Victims' Witness Specialist			(\$107,521)	
Consumer Protection Investigator	1.0			\$599,339
<b>Total</b>	<b>2.0</b>	<b>\$462,633</b>	<b>(\$107,521)</b>	<b>\$599,339</b>

- Increase of \$176,985 in general funds to host a tribal-focused basic law enforcement course.
- Increases of 1.0 FTE and \$139,448 in general funds for an attorney to prosecute crimes committed within the state's correctional facilities.
- Increases of \$92,400 in general funds for a case management system to streamline attorney workload.
- Increase of \$53,800 in general funds to support the operational expenses of the Internet Crimes Against Children program.
- Decrease of \$107,521 in federal fund expenditure authority to align budget with anticipated federal grant awards.
- Increases of 1.0 FTE and \$559,339 in other fund expenditure authority for a consumer protection investigator and outreach programming with Dakota State University.

<b>Secretary of State</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Elections FTE	1.0	\$91,051	\$24,076	
Online Business Filing Fee		(\$100,000)	(\$1,500)	(\$113,500)
Business Services	1.0			\$ 442,065
<b>Total</b>	<b>2.0</b>	<b>(\$8,949)</b>	<b>\$22,576</b>	<b>\$328,565</b>

- Increases of 1.0 FTE, \$91,051 in general funds, and \$24,076 in federal fund expenditure authority for an additional FTE to assist with increased elections workload.
- Decreases of \$100,000 in general funds, \$1,500 in federal fund expenditure authority, and \$113,500 in other fund expenditure authority due to the Secretary of State's office charging a credit card processing fee at the point of sale.
- Increases of 1.0 FTE and \$442,065 in other fund expenditure authority to support the Business Services division and ongoing maintenance of the Business Services Platform.

<b>School and Public Lands</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
No Changes				
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- No changes recommended to the FY2026 budget.

State Auditor	FTE	General	Federal	Other
No Changes				
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- No changes recommended to the FY2026 budget.

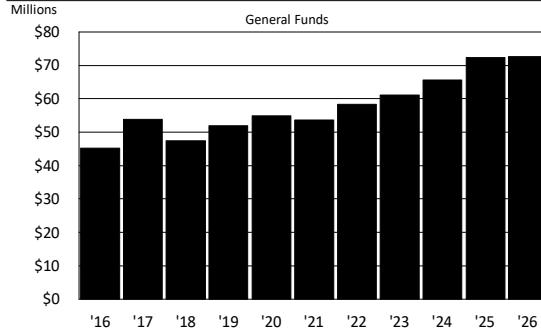
State Treasurer	FTE	General	Federal	Other
Database Expenses		\$11,000		
Disbursements from Unclaimed Property				\$5,000,000
Incentive Funding				\$615,056
Audit Expenses				\$500,000
Operating Expenses				\$114,442
Personal Services				(\$92,751)
<b>Total</b>	<b>0.0</b>	<b>\$11,000</b>	<b>\$0</b>	<b>\$6,136,747</b>

- Increase of \$11,000 in general funds for maintenance costs of the Public Deposit and Unclaimed Property databases.
- Increase of \$5,000,000 in other fund expenditure authority due to increases in Unclaimed Property disbursements.
- Increase of \$615,056 in other fund expenditure authority to align budget with potential performance-based compensation from zero to 225% of prior-year base salaries for the South Dakota Investment Council.
- Increase of \$500,000 in other fund expenditure authority for audit costs of Unclaimed Property.
- Increase of \$114,442 in other fund expenditure authority for the South Dakota Investment Council's operating expenses.
- Decrease of \$92,751 in other fund expenditure authority for salary increases related to promotions within the South Dakota Investment Council.

### Remainder of State Government

- Includes the Departments of Executive Management, Military, Veterans' Affairs, Revenue, Tourism, Transportation, Labor and Regulation, Retirement, and Public Safety.
- \$0.3M increase out of \$47.4M total ongoing general fund increase.
- \$72.7M out of \$2.5B, or 3.0%, of total ongoing general funds.
- \$2.0B out of \$7.3B, or 26.8%, of total ongoing funds.

## Remainder of State Government



Executive Management	FTE	General	Federal	Other
State Employee Salary Policy Pool		\$6,778,516	\$2,886,558	\$7,063,834
State Employee Health Insurance Pool		\$3,114,240	\$1,314,411	\$2,745,672
Bureau Billings Pool		\$1,803,149	\$1,201,447	\$3,265,623
State Radio Dispatch Site		\$123,384		
Sioux Falls One-Stop		\$120,057		\$146,424
Hearing Examiner		\$13,907		
Software Systems		\$7,250		\$4,343,223
Revenue Estimate Contract		(\$20,000)		
Salary Funding Swap		(\$140,000)		\$140,000
Marketing		(\$1,000,000)		
South Dakota Public Broadcasting Reduction		(\$3,613,698)		\$3,613,698
Maintenance and Repair		(\$6,381,945)		
Authority Adjustment			\$182,400	\$532,600
Coronavirus Stimulus Pool			(\$30,000,000)	
Server Replacement				\$870,973
Obligation Recovery Center Fees				\$520,000
Statewide Internal Controls	2.0			\$451,968
Mainframe Maintenance Support	(1.0)			\$445,323
Cybersecurity	3.0			\$372,128
Financial Systems Analysts	2.0			\$208,014
Utilities				\$101,813
Inmate Labor				\$40,000
Vacant Positions	(6.0)			(\$645,673)
Digital Dakota Network	(2.0)			(\$844,337)
<b>Total</b>	<b>(2.0)</b>	<b>\$804,860</b>	<b>(\$24,415,184)</b>	<b>\$23,371,283</b>

- Increases of \$6,778,516 in general funds, \$2,886,558 in federal fund expenditure authority, and \$7,063,834 in other fund expenditure authority within the Bureau of Finance and Management to be put in a funding pool and distributed to state agencies for 1.25% salary policy.

- Increases of \$3,114,240 in general funds, \$1,314,411 in federal fund expenditure authority, and \$2,745,672 in other fund expenditure authority within the Bureau of Finance and Management to be put in a funding pool and distributed to state agencies for health insurance.
- Increases of \$1,803,149 in general funds, \$1,201,447 in federal fund expenditure authority, and \$3,265,623 in other fund expenditure authority within the Bureau of Finance and Management to be distributed to state agencies for increases in Bureau of Information and Telecommunications billing rates.
- Increase of \$123,384 in general funds within the Bureau of Information and Telecommunications to add a State Radio dispatch site in Sioux Falls.
- Increases of \$120,057 in general funds and \$146,424 in other fund expenditure authority within the Governor's Office of Economic Development, the Bureau of Human Resources and Administration, and the Bureau of Information and Telecommunications for leased space at the Sioux Falls One-Stop.
- Increase of \$13,907 in general funds within the Bureau of Human Resources and Administration to hire a new administrative law judge to conduct hearings for citizens and state agencies.
- Increases of \$7,250 in general funds and \$4,343,223 in other fund expenditure authority within the Bureaus of Finance and Management, Information and Telecommunications, and Human Resources and Administration for software contract increases.
- Decrease of \$20,000 in general funds within the Bureau of Finance and Management to eliminate funding for a revenue estimate contract.
- Decrease of \$140,000 in general funds and a corresponding increase in other fund expenditure authority within the Bureau of Finance and Management to cover salary expense based on available funding sources.
- Decrease of \$1,000,000 in general funds within the Governor's Office of Economic Development to reduce funding for marketing campaigns.
- Decrease of \$3,613,698 in general funds and an increase of \$3,613,698 in other fund expenditure authority within the Bureau of Information and Telecommunications to align the budget of South Dakota Public Broadcasting with the national average of state support for public broadcasting.
- Decrease of \$6,381,945 in general funds within the Bureau of Human Resources and Administration to fund statewide maintenance and repair at 1.25% of replacement value.
- Increases of \$182,400 in federal fund expenditure authority and \$532,600 in other fund expenditure authority within the Governor's Office of Economic Development to align budget with anticipated expenses.
- Decrease of \$30,000,000 of federal fund expenditure authority within the Bureau of Finance and Management to align budget with anticipated COVID-19 federal awards received by agencies.
- Increase of \$870,973 in other fund expenditure authority within the Bureau of Information and Telecommunications for server replacements.
- Increase of \$520,000 in other fund expenditure authority within the Bureau of Human Resources and Administration to align budget with anticipated fees collected by the Obligation Recovery Center.



- Increases of 2.0 FTE and \$451,968 in other fund expenditure authority within the Bureau of Finance and Management to strengthen statewide internal controls.
- Decrease of 1.0 FTE and an increase of \$445,323 in other fund expenditure authority within the Bureau of Information and Telecommunications to transition support of the mainframe from internal staff to a third-party vendor.
- Increases of 3.0 FTE and \$372,128 in other fund expenditure authority within the Bureau of Information and Telecommunications to expand the state's cybersecurity capabilities.
- Increases of 2.0 FTE and \$208,014 in other fund expenditure authority within the Bureau of Finance and Management for additional staff to work with agencies on enterprise resource planning requirements and interface needs.
- Increase of \$101,813 in other fund expenditure authority within the Bureau of Human Resources and Administration for changes in utilities based on EnergyCap projections.
- Increase of \$40,000 in other fund expenditure authority within the Bureau of Human Resources and Administration for inmate labor costs to reflect minimum wage.
- Decreases of 6.0 FTE and \$645,673 in other fund expenditure authority within the Bureau of Information and Telecommunications to eliminate vacant positions in the Development division.
- Decreases of 2.0 FTE and \$844,337 in other fund expenditure authority within the Bureau of Information and Telecommunications due to course delivery alternatives through Northern State University.

<b>Military</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Utilities		\$17,042	\$18,858	
Civil Air Patrol		(\$60,023)		
National Guard Tuition Assistance Program		(\$450,000)		
Maintenance and Repair		(\$593,302)	(\$2,462,921)	
<b>Total</b>	<b>0.0</b>	<b>(\$1,086,283)</b>	<b>(\$2,444,063)</b>	<b>\$0</b>

- Increases of \$17,042 in general funds and \$18,858 in federal fund expenditure authority for utilities at the Army Guard and Air Guard based on projected costs.
- Decrease of \$60,023 in general funds to eliminate grant provided to the Civil Air Patrol.
- Decrease of \$450,000 in general funds to align budget of the National Guard Tuition Assistance program with anticipated utilization.
- Decreases of \$593,302 in general funds and \$2,462,921 in federal fund expenditure authority to fund maintenance and repair to 1.25% of replacement value.

<b>Veterans' Affairs</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Enhanced Federal Medical Assistance Percentage (FMAP)		\$295,404	(\$295,404)	
Federal Medical Assistance Percentage (FMAP)		\$119,344	(\$119,344)	
Headstone and Burial Allowance		(\$52,700)		(\$61,080)
Veteran Service Officer Salary Support		(\$191,812)		
Cemetery Maintenance	2.0			\$115,000
Utilities				(\$46,090)
<b>Total</b>	<b>2.0</b>	<b>\$170,236</b>	<b>(\$414,748)</b>	<b>\$7,830</b>

- Increase of \$295,404 in general funds and a corresponding decrease in federal fund expenditure authority due to the end of the 5% enhanced FMAP from Medicaid Expansion.
- Increase of \$119,344 in general funds and a corresponding decrease in federal fund expenditure authority for the change in FMAP.
- Decreases of \$52,700 in general funds and \$61,080 in other fund expenditure authority to eliminate stipend for the headstone and burial of veterans.
- Decrease of \$191,812 in general funds to eliminate the salary support for County and Tribal Veteran Service Officers.
- Increases of 2.0 FTE and \$115,000 in other fund expenditure authority to maintain the Veterans' Cemetery.
- Decrease of \$46,090 in other fund expenditure authority for changes in utilities at the State Veterans' Home based on EnergyCap projections.

<b>Revenue</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Property Tax Program		(\$60,000)		
Motor Vehicle Technology Fee				\$2,000,000
Sioux Falls One-Stop				\$275,000
Watertown and Mitchell Field Offices	(2.0)			(\$167,281)
605Drive Efficiencies	(1.0)			(\$651,874)
<b>Total</b>	<b>(3.0)</b>	<b>(\$60,000)</b>	<b>\$0</b>	<b>\$1,455,845</b>

- Decrease of \$60,000 in general funds as the agricultural land valuations will be able to be collected internally.
- Increase of \$2,000,000 in other fund expenditure authority for the ongoing maintenance costs of the 605Drive system.
- Increase of \$275,000 in other fund expenditure authority for leased space at the Sioux Falls One-Stop.
- Decreases of 2.0 FTE and \$167,281 in other fund expenditure authority due to the closure of the Watertown and Mitchell field offices as these employees work remotely.
- Decrease of 1.0 FTE and \$651,874 in other fund expenditure authority due to savings from the implementation of 605Drive.

<b>Tourism</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Arts Council Authority Alignment			\$487,527	
Gaming and Tourism Promotion Tax				\$588,219
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$487,527</b>	<b>\$588,219</b>

- Increase of \$487,527 in federal fund expenditure authority to align budget with anticipated federal grant awards.
- Increase of \$588,219 in other fund expenditure authority to align budget with projected increase in gaming and tourism promotion tax revenues.

<b>Tribal Relations</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
No changes				
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- No changes recommended to the FY2026 budget.

<b>Transportation</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Operating Expenses				\$3,473,867
Grants to Non-Profits				\$26,133
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,500,000</b>

- Increase of \$3,473,867 in other fund expenditure authority to align budget with anticipated expenses.
- Increase of \$26,133 in other fund expenditure authority for grants to transit providers.

<b>Labor and Regulation</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Sioux Falls One-Stop		\$365,193		
Adult Education and Literacy Inflation		\$32,896		
State Digital Opportunity Capacity Grant	1.0		\$964,753	
Building Maintenance	(1.0)		(\$76,689)	
Division of Banking	3.0			\$1,363,801
Board and Commissions	2.1			\$453,562
Career Ready	(6.0)			(\$600,000)
<b>Total</b>	<b>(0.9)</b>	<b>\$398,089</b>	<b>\$888,064</b>	<b>\$1,217,363</b>

- Increase of \$365,193 in general funds for leased space at the Sioux Falls One-Stop.
- Increase of \$32,896 in general funds for 1.25% inflation for Adult Education and Literacy providers.
- Increases of 1.0 FTE and \$964,753 in federal fund expenditure authority to improve digital literacy and digital access in rural communities.
- Decreases of 1.0 FTE and \$76,689 in federal fund expenditure authority to eliminate a maintenance position because of efficiencies from movement to the Sioux Falls One-Stop.

- Increases of 3.0 FTE and \$1,363,801 in other fund expenditure authority for leased space at the Sioux Falls One-Stop, staff compensation, and insurance premium increases for the Division of Banking.
- Increases of 2.1 FTE and \$453,562 in other fund expenditure authority for various changes throughout the department's boards and commissions.
- Decreases of 6.0 FTE and \$600,000 in other fund expenditure authority to eliminate the Career Ready program.

<b>Retirement</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
No changes				
<b>Total</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

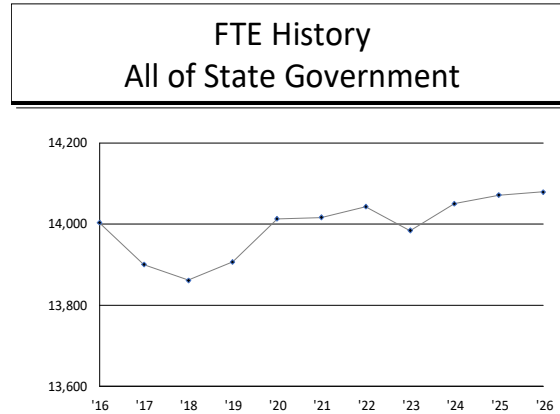
- No changes recommended to the FY2026 budget.

<b>Public Safety</b>	<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>
Weights and Measures		\$63,384		
State Radio Contract		\$27,924		
Arson Dog		\$15,000		
Salary Funding Swap		(\$26,397)		\$11,397
Crash Assistance Program			(\$165,892)	
Office of Emergency Management			(\$315,885)	
Authority Adjustment			(\$1,000,000)	
Driver Licensing Operating Expenses				\$438,761
Highway Patrol Supplies				\$181,500
<b>Total</b>	<b>0.0</b>	<b>\$79,911</b>	<b>(\$1,481,777)</b>	<b>\$631,658</b>

- Increase of \$63,384 in general funds for inspection rates paid by the Weights and Measures program and additional inspection hours.
- Increase of \$27,924 in general funds for inflationary increases in state radio contracts.
- Increase of \$15,000 in general funds for the Office of the Fire Marshal to take over the Arson Dog program from the Division of Criminal Investigation.
- Decrease of \$26,397 in general funds and an increase of \$11,397 in other fund expenditure authority to cover salary expense based on available funding sources.
- Decrease of \$165,892 in federal fund expenditure authority to align budget of the Crash Assistance Program with anticipated federal awards.
- Decrease of \$315,885 in federal fund expenditure authority to align budget of the Office of Emergency Management with anticipated federal awards.
- Decrease of \$1,000,000 in federal fund expenditure authority to align the budget of Wildland Fire, Homeland Security, and Victims' Services with anticipated federal grant awards.
- Increase of \$438,761 in other fund expenditure authority in Driver Licensing for an increase in the cost per card and leased space at the Sioux Falls One-Stop.
- Increase of \$181,500 in other fund expenditure authority for vehicles and vehicle maintenance supplies for Highway Patrol.

## Full-Time Equivalent Employee Change

- The total appropriated FTE across all of state government rose from 14,003.6 in FY2016 to a recommended level of 14,079.3 in FY2026.
- This is an increase of 75.7 FTE, or 0.54%, over the decade. The recommended change in FTE for FY2026 is an increase of 7.6 across state government.



- For offices outside the control of the Governor, total appropriated FTE changed from 6,096.5 in FY2016 to a recommended level of 6,141.6 in FY2026. This is a net increase of 45.1, or 0.74%, over the decade.
- The recommended change for these offices in the FY2026 budget is an increase of 33.1 FTE.
- For agencies under direct control of the Governor, total appropriated FTE changed from 7,907.1 in FY2016 to a recommended level of 7,937.7 in FY2026. This is a net increase of 30.6, or 0.39%, over the decade.
- The recommended change for these agencies in the FY2026 budget is a decrease of 25.5 FTE.

