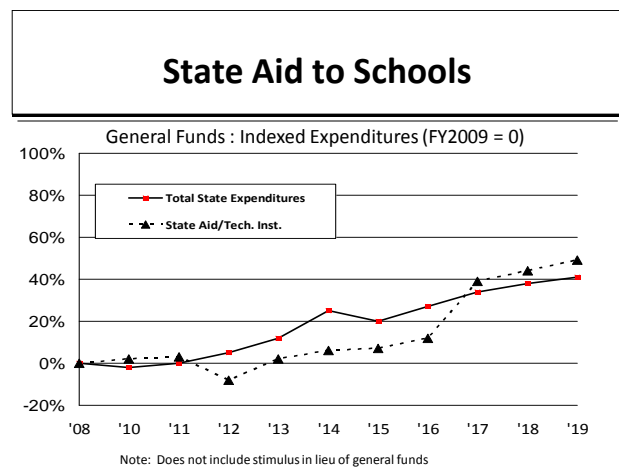
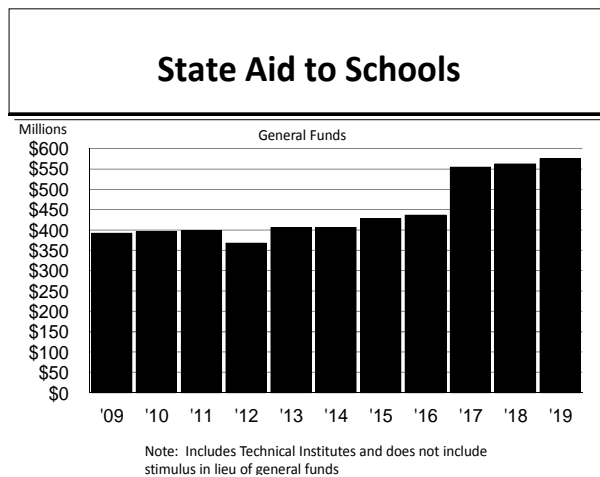


SUMMARY OF RECOMMENDED BUDGET ADJUSTMENTS

State Aid, Technical Institutes, Higher Education, and Education

- Includes State Aid to K-12 Education, Technical Institutes, Higher Education, and the Department of Education.
- \$20.3M increase out of \$30.6M total ongoing general fund increase.
- \$798.7M out of \$1.6B or 49.4% of total ongoing general funds.
- \$1.6B out of \$4.7B or 33.7% of total ongoing funds.



State Aid to K-12 Education	FTE	General	Federal	Other
State Aid to General Education		\$12,061,257		
State Aid to Special Education		\$4,070,318		
Technology in Schools		\$18,280		
Sparsity		(\$5,795)		
Workforce Education Fund				(\$1,375,000)
Total	0.0	\$16,144,060	\$0	(\$1,375,000)

- Increase of \$12,061,257 in general funds for State Aid to General Education due to increased enrollments and an increase in the number of English Language Learner students.
- Increase of \$4,070,318 in general funds for State Aid to Special Education due to increased student numbers and property tax collections below budgeted levels.
- Increase of \$18,280 in general funds for Technology in Schools due to increased usage.
- Decrease of \$5,795 in general funds for sparsity payments due to slightly reduced enrollments for those districts.
- Decrease of \$1,375,000 in other fund expenditure authority due to changes to the Building South Dakota program.

State Aid to Technical Institutes	FTE	General	Federal	Other
Technical Institutes Formula		\$557,982		
Board of Technical Education Administration		\$250,000		(\$250,000)
Maintenance and Repair		\$223,675		
Bond Payments		(\$1,184)		
Total	0.0	\$1,030,473	\$0	(\$250,000)

- Increase of \$557,982 in general funds for the Technical Institutes formula due to an increased number of students.
- Increase of \$250,000 in general funds and a reduction of \$250,000 in other fund expenditure authority to fund the Board of Technical Education Administration. The general funds will replace one-time cash.
- Increase of \$223,675 in general funds to begin a plan to reach 2% of replacement value for maintenance and repair of state owned buildings at the Technical Institutes.
- Decrease of \$1,184 in general funds to align funding with bond payment schedules.

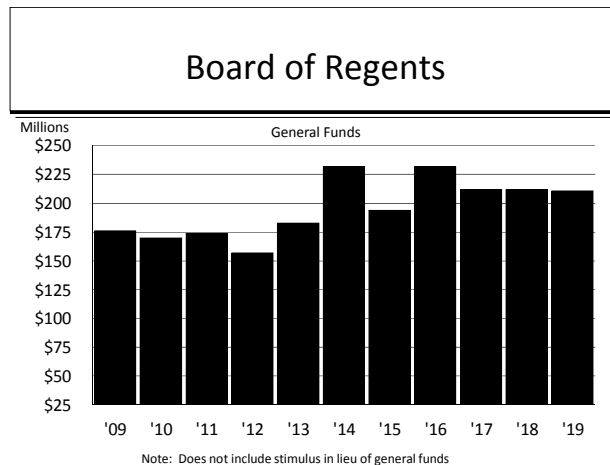
Education	FTE	General	Federal	Other
Dual Credit		\$398,957		
Federal Fiscal Monitoring FTE	1.0	\$72,905		
Birth to Three		(\$4,891)	\$4,891	
Career and Technical Education		(\$137,220)		\$287,220
Student Teacher Accountability Reporting System			(\$112,780)	\$112,780
Total	1.0	\$329,751	(\$107,889)	\$400,000

- Increase of \$398,957 in general funds for the Dual Credit program due to an increase in the number of credits taken.
- Increase of 1.0 FTE and \$72,905 in general funds to implement the Uniform Grant Guidance (2 CFR 200) and to provide additional monitoring on federal grants that flow to subrecipients.
- Decrease of \$4,891 in general funds and an increase of \$4,891 in federal fund expenditure authority in the Birth to Three program due to the change in the Federal Medical Assistance Percentage (FMAP).
- Decrease of \$137,220 in general funds and an increase of \$287,220 in other fund expenditure authority to utilize available other funds for Career and Technical Education operations.
- Decrease of \$112,780 in federal fund expenditure authority and an increase of \$112,780 in other fund expenditure authority to replace federal funds that are no longer available with other funds for the management and maintenance of the Longitudinal Data System.

Board of Regents	FTE	General	Federal	Other
Utilities		\$893,832		
Veterinary Tuition at ISU/ADRDL Commitments		\$892,768		(\$902,000)
Maintenance & Repair		\$796,691		
South Dakota Opportunity Scholarship		\$614,038		
Critical Deferred Maintenance Lease Payment		(\$4,188)		

REED Network Technology Costs		(\$370,656)		
FTE/Expenditure Authority Adjustments	9.0		(\$130,000)	\$7,548,114
Total	9.0	\$2,822,485	(\$130,000)	\$6,646,114

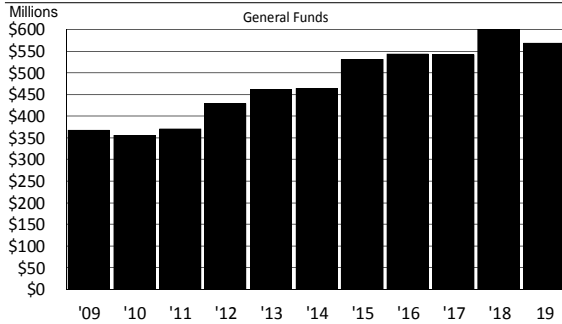
- Increase of \$893,832 in general funds for utility expenses.
- Increase of \$892,768 in general funds and a decrease of \$902,000 in other fund expenditure authority due to a funding change for the Veterinary slots at Iowa State University (ISU) and the State Animal Disease Research and Diagnostic Laboratory (ADRDL) commitments.
- Increase of \$796,691 in general funds for maintenance and repair of academic buildings.
- Increase of \$614,038 in general funds for students eligible for the South Dakota Opportunity Scholarship.
- Decrease of \$4,188 in general funds for the lease payment adjustment for Critical Deferred Maintenance.
- Decrease of \$370,656 in general funds for anticipated REED Network Technology Costs. This decrease is offset by an increase in bureau billings to pay for statewide network costs.
- Increase of 9.0 FTE, decrease of \$130,000 in federal fund expenditure authority, and an increase of \$7,548,114 in other fund expenditure authority for anticipated grant expenses, tuition/room and board projections, and maintenance and repair.



Health, Human, and Social Services

- Includes Departments of Health, Human Services, and Social Services.
- \$1.6M increase out of \$30.6M total ongoing general fund increase.
- \$569.1M out of \$1.6B or 35.2% of total ongoing general funds.
- \$1.5B out of \$4.7B or 32.6% of total ongoing funds.

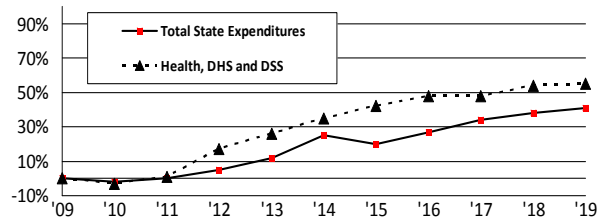
Health, Human, and Social Services



Note: Does not include stimulus in lieu of general funds

Health, Human, and Social Services

General Funds : Indexed Expenditures (FY2009 = 0)



Note: Does not include stimulus in lieu of general funds

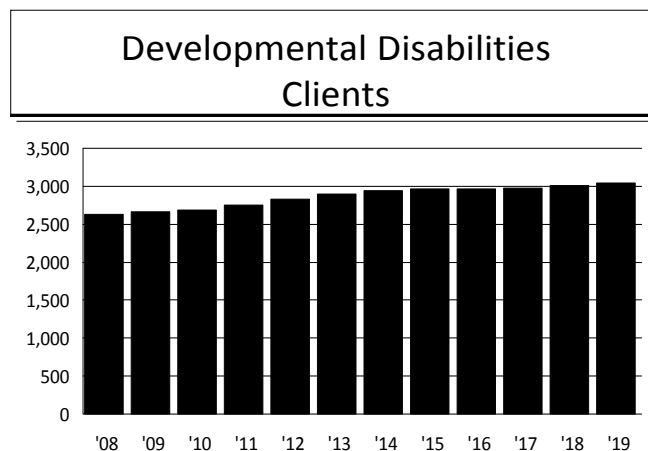
Health	FTE	General	Federal	Other
Rural Family Residency Track		\$179,666	\$232,128	
Cribs for Kids		\$140,000		
Subrecipient Monitoring FTE	1.0	\$22,456	\$67,367	
CHC Medical Provider FTE	3.9			
CHC Inflation/Growth				\$1,336,398
Informational Budget for DOH Boards				\$118,056
CHC Pharmacy Contract				(\$270,650)
Total	4.9	\$342,122	\$299,495	\$1,183,804

- Increase of \$179,666 in general funds and \$232,128 in federal fund expenditure authority for first year implementation of rural family medicine residency track in Pierre.
- Continuation of \$140,000 in general funds for cribs for families who qualify.
- Increase of 1.0 FTE, \$22,456 in general funds, and \$67,367 in federal fund expenditure authority in Administration for subrecipient monitoring due to increased financial monitoring requirements.
- Increase of 3.9 FTE to right-size correctional health budget due to changing medical provider contracts to state employees.
- Increase of \$1,336,398 in other fund expenditure authority for growth in correctional healthcare. This number includes medical inflation of 3.9%, overall inflation of 1.3%, prescription drug inflation of 4.8%, and projected inmate growth of 113.
- Increase of \$118,056 in other fund expenditure authority to align budget with anticipated expenditures throughout the various boards within the department.
- Decrease of \$270,650 in other fund expenditure authority in correctional healthcare pharmacy contractual services to move contracted staff to state FTE in the Department of Social Services per Department of Legislative Audit guidance. This will also result in a decrease in the current fiscal year.

Human Services	FTE	General	Federal	Other
Developmental Disabilities		\$421,474	\$544,545	
Finance Staff	2.0	\$67,838	\$67,838	
Mandatory Inflation		\$26,283		
South Dakota Developmental Center	(12.0)	(\$186,386)	(\$415,175)	\$62,500

Long Term Services and Supports		(\$731,165)	\$1,310,697	
Federal Medical Assistance Percentage		(\$3,609,175)	\$3,751,156	(\$141,981)
Division of Rehabilitation Services			\$1,051,178	\$800,000
Service to the Blind and Visually Impaired				\$100,000
Total	(10.0)	(\$4,011,131)	\$6,310,239	\$820,519

- Increases of \$421,474 in general funds and \$544,545 in federal fund expenditure authority in Developmental Disabilities for an increase in eligibles. Also included is an increase to get In-Home providers to 90% of methodology costs.
- Increases of 2.0 FTE, \$67,838 in general funds, and \$67,838 in federal fund expenditure authority in Budget and Finance. These FTE will assist with increased responsibilities associated with provider audits and federal reporting requirements.
- Increase of \$26,283 in general funds for mandatory inflation of 1.8% for certain individuals in Assisted Living.
- Decreases of 12.0 FTE, \$186,386 in general funds and \$415,175 in federal funds, and an increase of \$62,500 in other fund expenditure authority for changes in utilities, staffing levels, and food service costs at the South Dakota Developmental Center.
- Decrease of \$731,165 in general funds and an increase of \$1,310,697 in federal fund expenditure authority based on projected expenses in the Division of Long Term Services and Supports. Also included is an increase to get In-Home and Assisted Living providers to 90% of methodology costs.
- Decreases of \$3,609,175 in general funds and \$141,981 in other fund expenditure authority with an offsetting increase in federal fund expenditure authority for the change in FMAP.
- Increases of \$1,051,178 in federal fund expenditure authority and \$800,000 in other fund expenditure authority in Rehabilitation Services for increased utilization of Vocational Rehabilitation, Project Skills, and Extended Supports services.
- Increase of \$100,000 in other fund expenditure authority in Service to the Blind and Visually Impaired for increased utilization of the Ticket to Work program.

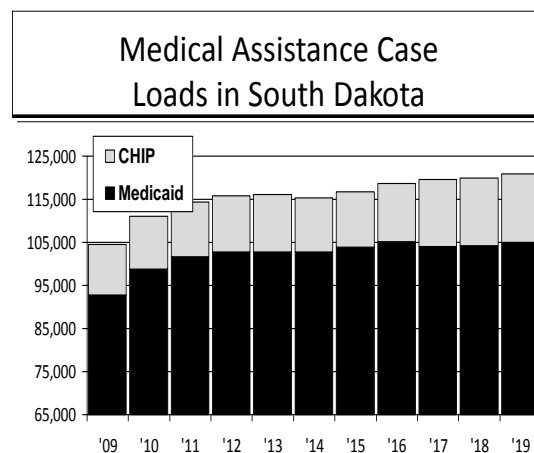
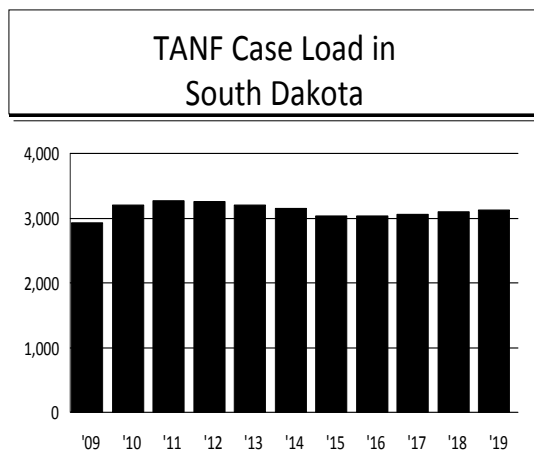


Social Services	FTE	General	Federal	Other
Mandatory Inflation		\$4,682,795	\$5,148,592	
Medicaid Eligibles, Utilization and Cost Changes		\$3,805,498	\$5,387,995	

Human Services Center	(3.0)	\$2,099,940	(\$1,398,193)	
Child Protection Adoptions, Guardianships and Placements		\$1,675,261	\$272,096	
Childcare Inflation		\$694,857		
Mental Health Courts		\$138,500		
Finance Staff	1.0	\$29,771	\$39,473	
Auxiliary Placement		(\$261,791)	(\$184,884)	
Savings from Federal Policy Change		(\$4,586,090)	\$4,586,090	
Health Care Solutions Coalition Initiatives		\$1,866,715	\$1,841,645	
Provider Reimbursement to 90%		\$1,112,234	\$1,132,676	
Federal Medical Assistance Percentage		(\$6,015,837)	\$6,015,837	
Eligibility and Enrollment Modernization Project			\$17,000,000	
Victims Services	1.0		\$679,198	
Health Information and Technology Program			(\$2,500,000)	
Correctional Healthcare	3.0			\$270,650
Total	2.0	\$5,241,853	\$38,020,525	\$270,650

- Increases of \$4,682,795 in general funds and \$5,148,592 in federal fund expenditure authority for mandatory increases for Federally Qualified Health Centers, Rural Health Clinics, Prescriptions Drugs, and Medicare Parts A, B, D and crossover co-pays.
- Increases of \$3,805,498 in general funds and \$5,387,995 in federal fund expenditure authority for an increase of 945 Medicaid eligibles as well as increases in cost and utilization over revised FY2018 numbers.
- Increase of \$2,099,940 in general funds and decreases of \$1,398,193 in federal fund expenditure authority and 3.0 FTE at the Human Services Center. Changes are due to losses of federal revenue, swap from state FTE to contract personnel, operational costs, food services, and utilities.
- Increases of \$1,675,261 in general funds and \$272,096 in federal fund expenditure authority for an additional 37 adoption and 24 guardianship subsidies, as well as increased paid placements in Child Protection Services.
- Increase of \$694,857 in general funds for an inflationary increase for Childcare providers of 4.68% based on a required bi-annual market rate survey.
- Increase of \$138,500 in general funds for one half year of treatment services for the Mental Health Court in UJS.
- Increases of 1.0 FTE, \$29,771 in general funds, and \$39,473 in federal fund expenditure authority for an accountant to support increased work related to grant subrecipient monitoring requirements and further internal control implementation.
- Decreases of \$261,791 in general funds and \$184,884 in federal fund expenditure authority for decreased utilization of auxiliary placement services.
- Decrease of \$4,586,090 in general funds and an increase of \$4,586,090 in federal fund expenditure authority for implementation of federal policy changes regarding reimbursement of certain Indian Health Services originated health care services.

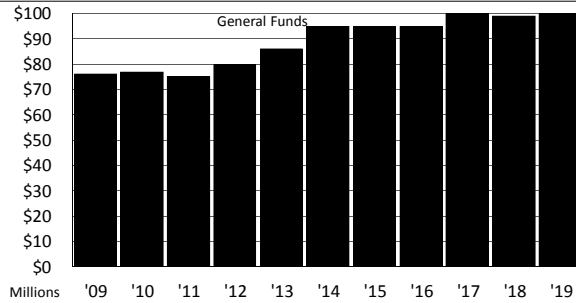
- Increases of \$1,866,715 in general funds and \$1,841,645 in federal fund expenditure authority to fund the recommendations of the Health Care Solutions Coalition.
- Increases of \$1,112,234 in general funds and \$1,132,676 in federal fund expenditure authority to move community based providers' reimbursement levels to 90% of methodology costs.
- Decrease of \$6,015,837 in general funds with an offsetting increase in federal fund expenditure authority for the change in FMAP.
- Increase of \$17,000,000 in federal fund expenditure authority in Economic Assistance for the Eligibility and Enrollment Modernization project.
- Increases of 1.0 FTE and \$679,198 in federal fund expenditure authority to manage and support new federal grants in Victims Services.
- Decrease of \$2,500,000 in federal fund expenditure authority for the wind down of the Health Information and Technology program.
- Increases of 3.0 FTE and \$270,650 in other fund expenditure authority in correctional healthcare to move contracted staff to state FTE per Department of Legislative Audit guidance.



Corrections

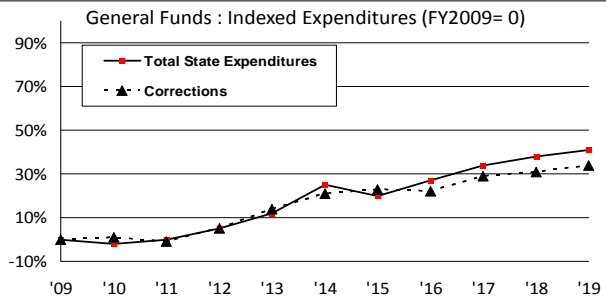
- Includes the Department of Corrections
- \$2.4M increase out of \$30.6M total ongoing general fund increase.
- \$101.5M out of \$1.6B or 6.3% of total ongoing general funds.
- \$110.9M out of \$4.7B or 2.4% of total ongoing funds.

Corrections



Note: Does not include stimulus in lieu of general funds

Corrections

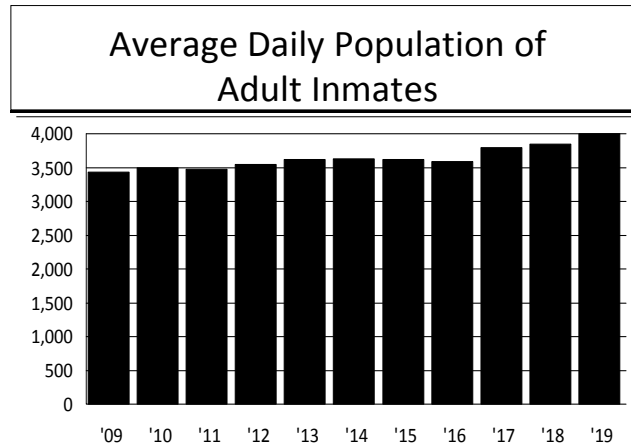


Note: Does not include stimulus in lieu of general funds

Department of Corrections	FTE	General	Federal	Other
Correctional Healthcare		\$1,336,398		
Organizational Restructure	21.5	\$1,335,297		
Organizational Restructure	(21.5)	(\$1,335,297)		
Community Transition Program Placements		\$1,144,640		
Miscellaneous Operating Expenses		\$796,508	\$28,122	(\$245,898)
Security Staffing	9.0	\$442,323		
Various Positions	4.0	\$217,638		
Provider Reimbursement Plan		\$102,182		
MDSP Personal Services		\$95,915		
STAR Academy	(4.0)	(\$540,887)		
Juvenile Community Corrections	(3.0)	(\$1,240,518)	(\$762,319)	
Total	6.0	\$2,354,199	(\$734,197)	(\$245,898)

- Increase of \$1,336,398 in general funds for Correctional Healthcare costs.
- Increase of 21.5 FTE and \$1,335,297 in general funds due to an organizational restructure of 20.5 Case Managers and 1.0 Program Assistant.
- Decrease of 21.5 FTE and \$1,335,297 in general funds due to an organizational restructure of 20.5 Case Managers and 1.0 Program Assistant.
- Increase of \$1,144,640 in general funds for 71 parolees in the Community Transition Program to be housed in community placements.
- Increase of \$796,508 in general funds, an increase of \$28,122 in federal fund expenditure authority, and a decrease of \$245,898 in other fund expenditure authority for utilities, food services, maintenance contracts, supplies, the Adult Education Literacy grant, and the closure of a Pheasant Land Industries shop.
- Increase of 9.0 FTE and \$442,323 in general funds to increase security staff at the Community Work Centers.
- Increase of 4.0 FTE and \$217,638 in general funds for a Case Manager, Parole Agent, Corrections Specialist, and Building Maintenance position due to the increased prison population.

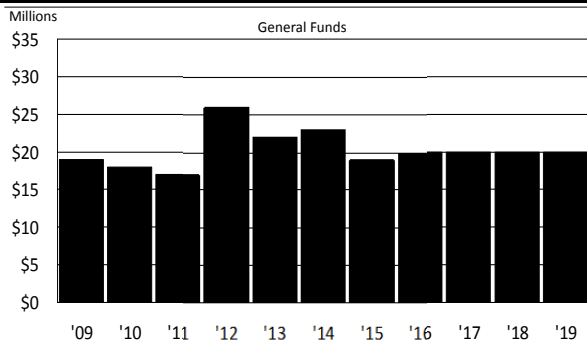
- Increase of \$102,182 in general funds to increase community based providers' reimbursement levels to 90% of methodology costs.
- Increase of \$95,915 for personal services at Mike Durfee State Prison (MDSP) to address the number of open security positions.
- Decrease of 4.0 FTE and \$540,887 in general funds due to the sale of STAR Academy.
- Decreases of 3.0 FTE, \$1,240,518 in general funds, and \$762,319 in federal fund expenditure authority due to changes in FMAP and reductions due to the overall decrease in the juvenile population.



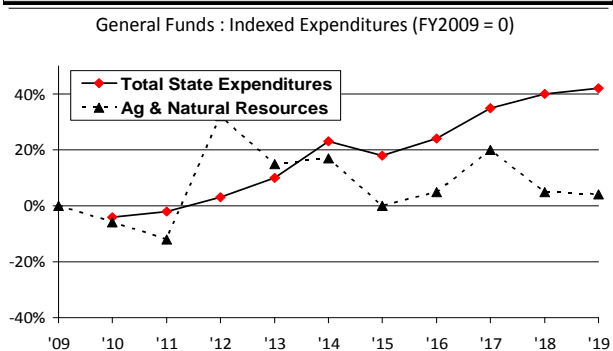
Agriculture, Natural Resources, and Game, Fish, and Parks

- Includes Departments of Agriculture, Environment and Natural Resources, and Game, Fish, and Parks.
- \$120K decrease out of \$30.6M total ongoing general fund increase.
- \$20.2M out of \$1.6B or 1.3% of total ongoing general funds.
- \$168.2M out of \$4.7B or 3.6% of total ongoing funds.

Agriculture, Natural Resources and Game, Fish, and Parks



Agriculture, Natural Resources and Game, Fish, and Parks



Agriculture	FTE	General	Federal	Other
ADRDL Bond Payment				\$3,345,464
Informational Budgets				(\$2,037,925)
Total	0.0	\$0	\$0	\$1,307,539

- Increase of \$3,345,464 in other fund expenditure authority for the annual bond payment for the Animal Disease Research Diagnostic Lab (ADRDL).
- Decrease of \$2,037,925 in other fund expenditure authority to align the informational budgets with anticipated expenditures.

Environment and Natural Resources	FTE	General	Federal	Other
No changes				
Total	0.0	\$0	\$0	\$0

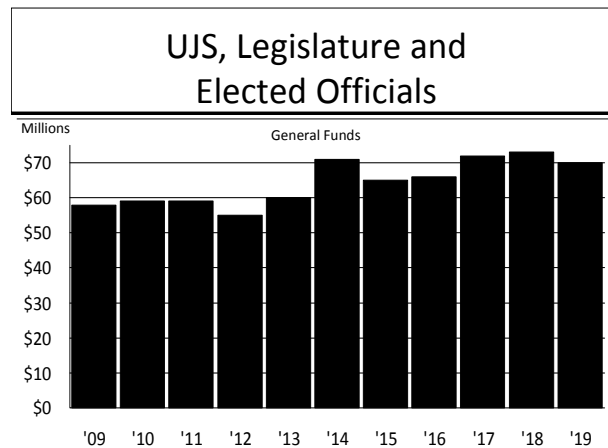
- No recommended changes to the FY19 budget.

Game, Fish, and Parks	FTE	General	Federal	Other
Bond Payments		(\$120,652)		
Division of Wildlife Capital Development			\$1,223,220	(\$575,010)
Division of Parks & Recreation Capital Development			\$513,000	\$68,250
Division of Parks & Recreation Operations			\$84,925	\$521,875
Division of Wildlife Operations			(\$39,475)	\$459,863
Snowmobile Trails Program				(\$22,000)
Total	0.0	(\$120,652)	\$1,781,670	\$452,978

- Decrease of \$120,652 in general funds based on changes in bond payments.
- Increase of \$1,223,220 in federal fund expenditure authority and decrease of \$575,010 in other fund expenditure authority to align the budget with anticipated costs from the capital development project list in the Division of Wildlife.
- Increase of \$513,000 in federal fund expenditure authority and \$68,250 in other fund expenditure authority to align the budget with anticipated costs from the capital development project list in the Division of Parks and Recreation.
- Increase of \$84,925 in federal fund expenditure authority and \$521,875 in other fund expenditure authority to reflect activity based cost increases in the maintenance and operations budget of the state parks system.
- Decrease of \$39,475 in federal fund expenditure authority and increase of \$459,863 in other fund expenditure authority to reflect activity based cost increases in the wildlife division maintenance and operations budget.
- Decrease of \$22,000 in other fund expenditure authority to align the budget with anticipated expenditures in the Snowmobile Trails Program.

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.
- \$92K increase out of \$30.6M total ongoing general fund increase.
- \$69.8M out of \$1.6B or 4.3% of total ongoing general funds.
- \$151.5M out of \$4.7B or 3.3% of total ongoing funds.



Legislature	FTE	General	Federal	Other
National Organization Membership Dues		\$10,203		
Legislative IT Budget Right Sizing		(\$9,251)		
Personal Services		\$7,925		
Contractual Services		\$4,970		
Supplies		(\$4,100)		
Total	0.0	\$9,747	\$0	\$0

- Increase of \$10,203 in general funds in the Legislative Research Council for national organization membership dues.
- Decrease of \$9,251 in general funds in the Legislative Research Council to reflect estimated expenditures in contractual services and capital assets.
- Increase of \$7,925 in general funds to align the Department of Legislative Audit's personal services budget with anticipated expenditures.
- Increase of \$4,970 in general funds in the Department of Legislative Audit for additional working paper component licenses and increases in rent in Pierre and Brookings.
- Decrease of \$4,100 in general funds in the Department of Legislative Audit due to a net decrease in supplies and postage due to the implementation of electronic working papers.

Unified Judicial System	FTE	General	Federal	Other
Mental Health Court	1.0	\$109,947		

Miscellaneous Operating Expenses		\$40,000		\$228,155
Total	1.0	\$149,947	\$0	\$228,155

- Increase of 1.0 FTE and \$109,947 in general funds to implement a Mental Health Court in Pennington County.
- Increase of \$40,000 in general funds and \$228,155 in other fund expenditure authority for supplies and various technology licenses and fees.

Public Utilities Commission	FTE	General	Federal	Other
Budget Alignments			(\$67,109)	\$107,035
Total	0.0	\$0	(\$67,109)	\$107,035

- Decrease of \$67,109 in federal fund expenditure authority and increase of \$107,035 in other fund expenditure authority to align the Public Utilities Commission budget with anticipated expenditures.

Attorney General	FTE	General	Federal	Other
SAVIN Software Maintenance		\$58,500		
SAVIN Positions	(2.0)	(\$102,357)		
Victim Witness Specialist			(\$81,263)	
Elder Abuse Task Force	(2.0)			(\$181,192)
Law Enforcement Training Instructors	3.0			
Total	(1.0)	(\$43,857)	(\$81,263)	(\$181,192)

- Increase of \$58,500 for SAVIN software maintenance costs.
- Decrease of 2.0 FTE and \$102,357 in general funds for two Statewide Automated Victim Information and Notification positions that are not needed.
- Decrease of \$81,263 in federal fund expenditure authority due to the reduction of a federal grant award.
- Decrease of 2.0 FTE and \$181,192 in other fund expenditure authority for an Attorney Specialist and Investigator assigned to the Elder Abuse Task Force.
- Increase of 3.0 FTE for Law Enforcement Training Academy adjunct professors.

Secretary of State	FTE	General	Federal	Other
Budget Alignments		(\$23,624)	(\$11,387)	(\$9,825)
Total	0.0	(\$23,624)	(\$11,387)	(\$9,825)

- Decreases of \$23,624 in general funds, \$11,387 in federal fund expenditure authority, and \$9,825 in other fund expenditure authority to align budget with anticipated expenditures.

School and Public Lands	FTE	General	Federal	Other
No changes				
Total	0.0	\$0	\$0	\$0

- No recommended changes to the FY19 budget.

State Auditor	FTE	General	Federal	Other
No changes				
Total	0.0	\$0	\$0	\$0

- No recommended changes to the FY19 budget.

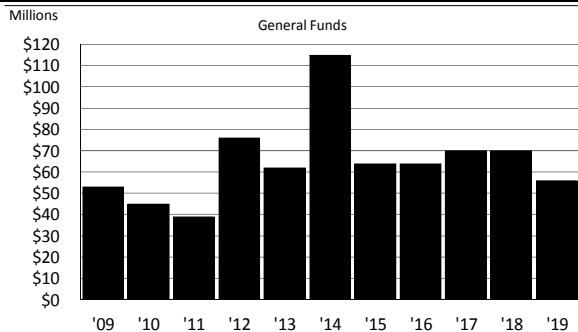
State Treasurer	FTE	General	Federal	Other
Unclaimed Property				\$8,000,000
Performance Based Compensation				\$535,066
Investment of State Funds				\$265,347
Total	0.0	\$0	\$0	\$8,800,413

- Increase of \$8,000,000 in other fund expenditure authority to align budget with projected unclaimed property claim payments.
- Increase of \$535,066 in other fund expenditure authority for performance based compensation at the South Dakota Investment Council. Increase will maintain expenditure authority at 200% of prior year base salaries.
- Increase of \$265,347 in other fund expenditure authority for promotional increases, contractual services, and office supplies changes at the South Dakota Investment Council.

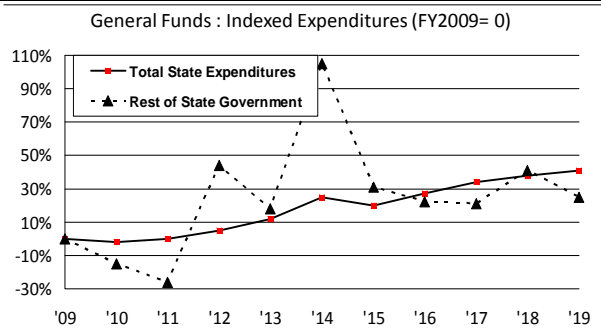
Remainder of State Government

- Includes the Departments of Executive Management, Military, Veterans' Affairs, Revenue, Tourism, Tribal Relations, Transportation, Labor and Regulation, Retirement, and Public Safety.
- \$6.3M increase out of \$30.6M total ongoing general fund increase.
- \$56.2M out of \$1.6B or 3.5% of total ongoing general funds.
- \$1.1B out of \$4.7B or 24.5% of total ongoing funds.

Remainder of State Government



Remainder of State Government



Executive Management	FTE	General	Federal	Other
Building South Dakota Programs		\$4,900,000		(\$1,150,616)
Office of Research Commerce Reorganization	(2.0)	(\$4,126,953)		(\$500,000)

Office of Economic Development Reorganization	2.0	\$4,126,953		\$500,000
Housing Development Authority			\$1,668	\$318,332
Ellsworth Development Authority				\$21,364
Software Maintenance and Upgrades				\$381,667
Employee Compensation and Bureau Billings Pools		\$1,002,637	\$769,216	\$818,334
Statewide Maintenance and Repair		\$93,701		
Obligation Recovery Center		\$270,000		
State Vehicle Lease Payment				\$435,886
State Engineer FTE	1.0			\$75,117
Office of Risk Management FTE	1.0			\$67,553
Subscription Licenses				\$910,744
BIT Rate Reduction Adjustments	(2.0)			(\$543,770)
Total	0.0	\$6,266,338	\$770,884	\$1,334,611

- Increase of \$4,900,000 in general funds and a decrease of \$1,150,616 in other fund expenditure authority for changes to the Building South Dakota program. This increase is cost neutral due to proposed legislation and offsets included in general fund revenues.
- Reorganization of 2.0 FTE, \$4,126,953 in general funds, and \$500,000 in other fund expenditure authority from the Office of Research Commerce to the Office of Economic Development.
- Increase of \$1,668 in federal fund expenditure authority and \$318,332 in other fund expenditure authority due to changes in the Governor’s House Program.
- Increase of \$21,364 in other fund expenditure authority in the South Dakota Ellsworth Development Authority to align the budget with anticipated expenditures.
- Increase of \$381,667 in other fund expenditure authority for financial systems software maintenance and upgrades.
- Increase of \$1,002,637 in general funds, \$769,216 in federal fund expenditure authority, and \$818,334 in other fund expenditure authority for employee compensation and bureau billing pools to be distributed to state agencies.
- Increase of \$93,701 in general funds for statewide maintenance and repair to move toward the goal of 2% of the replacement value of state buildings.
- Increase of \$270,000 in general funds for Obligation Recovery Center recovery fees. This is a net impact of \$0 to the general fund, as the funds collected are deposited directly into the general fund.
- Increase of \$435,886 in other fund expenditure authority for state vehicle lease payments.
- Increase of 1.0 FTE and \$75,117 in other fund expenditure authority for an additional State Engineer to oversee capital development projects at the Technical Institutes.
- Increase of 1.0 FTE and \$67,553 in other fund expenditure authority for an additional Risk Analyst to increase the frequency of property and safety audits at state owned buildings.

- Increase of \$910,744 in other fund expenditure authority to continue the migration to subscription based licensing for Windows 10 and Office 365. This is part of the two year phase-in approved during the 2017 Legislative Session.
- Decrease of 2.0 FTE and \$543,770 in other fund expenditure authority to align the BIT budget with anticipated expenditures. These reductions will make services more affordable for agencies.

Military	FTE	General	Federal	Other
Utilities		\$44,256	\$138,927	
Family and Soldier Support Program	9.0		\$451,221	
Total	9.0	\$44,256	\$590,148	\$0

- Increases of \$44,256 in general funds and \$138,927 in federal fund expenditure authority for increases in utilities.
- Increases of 9.0 FTE and \$451,221 in federal fund expenditure authority to move Family and Soldier Support Program staff from federally contracted to state employees.

Veterans' Affairs	FTE	General	Federal	Other
State Veterans' Home Operational Cost Changes		\$138,271	\$178,646	(\$326,104)
FMAP		(\$65,620)	\$65,620	
Total	0.0	\$72,651	\$244,266	(\$326,104)

- Increases of \$138,271 in general funds and \$178,646 in federal fund expenditure authority, and a decrease of \$326,104 in other fund expenditure authority for operational changes at the State Veterans' Home. Changes include: food service costs, utility changes, and an increase of 3 Medicaid eligible beds.
- Decrease of \$65,620 in general funds with an offsetting increase in federal fund expenditure authority for the change in FMAP.

Revenue	FTE	General	Federal	Other
Sales and Use Tax Auditors	5.0			\$392,593
Accountant FTE	1.0			\$65,300
Total	6.0	\$0	\$0	\$392,593

- Increase of 5.0 FTE and \$392,593 in other fund expenditure authority for five additional auditors that will focus on sales and use tax audits on out-of-state businesses, including those related to e-commerce. Once fully trained in three years, these additional FTE could generate an estimated \$900,000 in sales and use audit assessments on a net basis.
- Increase of 1.0 FTE and \$65,300 in other fund expenditure authority for an accountant for accounting and financial reporting expertise to ensure proper accounting and financial reporting requirements, and to implement additional internal controls.

Tourism	FTE	General	Federal	Other
Information Centers' Seasonal Staff	8.0			\$212,186
Department Restructure	0.7			\$42,392

Reduction in Contractual Services to Fund PS Increase				(\$254,578)
Total	8.7	\$0	\$0	\$0

- Increase of 8.0 FTE and \$212,186 in other fund expenditure authority to move 32 contracted employees to temporary seasonal employees of the department. These employees will work 520 hours annually at the state's information centers.
- Increase of 0.7 FTE and \$42,392 in other fund expenditure authority to align budget with actuals after department's restructure.
- Decrease of \$254,578 in other fund expenditure authority due to the contracted individuals now becoming state employees.

Tribal Relations	FTE	General	Federal	Other
No changes				
Total	0.0	\$0	\$0	\$0

- No recommended changes to the FY19 budget.

Transportation	FTE	General	Federal	Other
Utilities				\$167,764
Total	0.0	\$0	\$0	\$167,764

- Increase of \$167,764 in other fund expenditure authority for increases in utilities.

Labor and Regulation	FTE	General	Federal	Other
Banking Division Examiners	5.0			\$528,861
Informational Budget Alignments	1.0		(\$59,880)	\$214,392
Total	6.0	\$0	(\$59,880)	\$743,253

- Increase of 5.0 FTE and \$528,861 in other fund expenditure authority for additional examiners in the Division of Banking due to growth in the banking and trust industries.
- Increase of 1.0 FTE, decrease of \$59,880 in federal fund expenditure authority, and increase of \$743,253 in other fund expenditure authority in various informational boards to align budget with anticipated expenditures.

Retirement	FTE	General	Federal	Other
Contractual Services				\$132,000
Total	0.0	\$0	\$0	\$132,000

- Increase of \$132,000 in other fund expenditure authority for ACH fees, rents, central services, and legal consultant expenses.

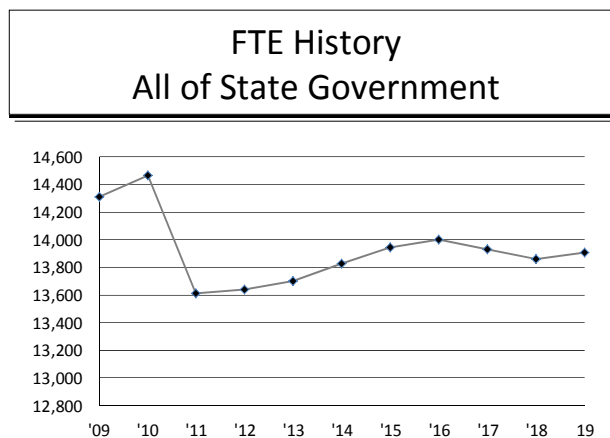
Public Safety	FTE	General	Federal	Other
State Radio		(\$50,000)		
GIS Coordinator	1.0		\$39,390	\$34,751

Program Manager	1.0		\$32,460	\$32,459
Total	2.0	(\$50,000)	\$71,850	\$67,210

- Decrease of \$50,000 in general funds to the State Radio budget based on anticipated expenditures.
- Increase of 1.0 FTE, \$39,390 in federal fund expenditure authority, and \$34,751 in other fund expenditure authority for a GIS Coordinator to assist with agency planning, data collection, data management, research, and development.
- Increase of 1.0 FTE, \$32,460 in federal fund expenditure authority, and \$32,459 in other fund expenditure authority for a program manager to oversee internal controls, grant management and grant monitoring.

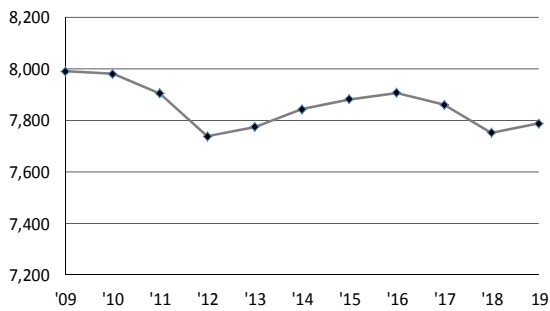
Full-Time Equivalent Employee Change

- The total appropriated FTE across all of state government decreased from 14,311.2 in FY2009 to a recommended level of 13,905.9 for FY2019.
- This is a decrease of 405.3, or 2.8%, over the decade. The recommended change in FTE for FY2019 is an increase of 44.6 across state government.

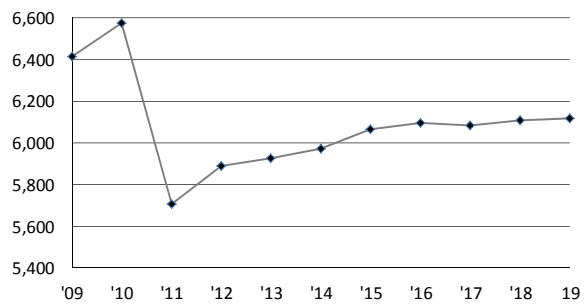


- For offices outside the control of the Governor, total appropriated FTE changed from 6,415.7 in FY2009 to a recommended level of 6,117.3 for FY2019.
- This is a net decrease of 298.4 FTE over the decade. The recommended changes for these offices in the FY2019 budget are a net increase of 9.0 FTE.
- The agencies under direct control of the Governor had total appropriated FTE of 7,895.5 in FY2009.
- The FY2019 budget recommendation brings the FTE to a level of 7,788.6. This is a decrease of 106.9 FTE, or 1.4%, over the decade. The recommended increase for FY2019 is 35.6 FTE for agencies under the control of the Governor.

FTE History for Offices Under Control of Governor



FTE History for Offices Outside Control of Governor



Summary of Reorganizations

Department of Social Services: A reorganization occurred between the Department of Social Services and the Department of Human Services. The budget reorganization moved the Division of Adult Services and Aging from the Department of Social Services to the Department of Human Services per executive order 2017-01. The Victims Services division was also moved to the Secretariat in the Department of Social Services.

Department of Human Services: A reorganization occurred between the Department of Social Services and the Department of Human Services. The budget reorganization moved the Division of Adult Services and Aging from the Department of Social Services to the Department of Human Services per executive order 2017-01.

Department of Agriculture: A reorganization occurred within the Department of Agriculture. The budget reorganization moved Mediation and Finance Counseling from the Division of Agricultural Development to the Division of Agricultural Services.

Department of Labor and Regulation: A reorganization occurred within the Department of Labor and Regulation. The budget reorganization moved the Division of Securities under the management of the Division of Insurance per executive order 2017-02.