



# Bureau of Finance and Management

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*Fiscal Year 2025 Budget Hearing  
Joint Committee on Appropriations  
January 10, 2024*



# Agenda



Bureau Overview



Budget Recommendation



Workforce



Outlook and Operational Initiatives

# Leadership Team



Jim  
Terwilliger

*Commissioner*



Steven  
Kohler

*Deputy  
Commissioner*



Morgan  
Gruebele

*Chief  
Budget  
Analyst*



Derek  
Johnson

*State  
Economist*



Rachel  
Williams

*Executive  
Management  
Finance Office  
Director*



Colin  
Keeler

*Financial  
Systems  
Director*



Keith  
Senger

*Financial  
Reporting  
Director*



Allysen  
Kerr

*Statewide  
Internal  
Control  
Officer*

# Divisions and Services

## Budget Analysis

Develops Governor's budget proposal and implements adopted budget

Long-Term Financial Plans

Revenue Forecasting

## Executive Management Finance Office

Day-to-day financial functions for all the bureaus

Treasury-State Agreement

Statewide Cost Allocation Plan

## Financial Systems

Manages daily, weekly, monthly, and annual fiscal cycles

Manages the technical operation of financial systems

Supports and trains users of the state's central financial systems

## Financial Reporting

Establishes statewide accounting procedures

Annual Comprehensive Financial Report

Schedule of Expenditures for Financial Awards

## Statewide Internal Control Office

Reviews and advises all State agencies on internal control

Implements internal control framework throughout State government

State Board of Internal Control

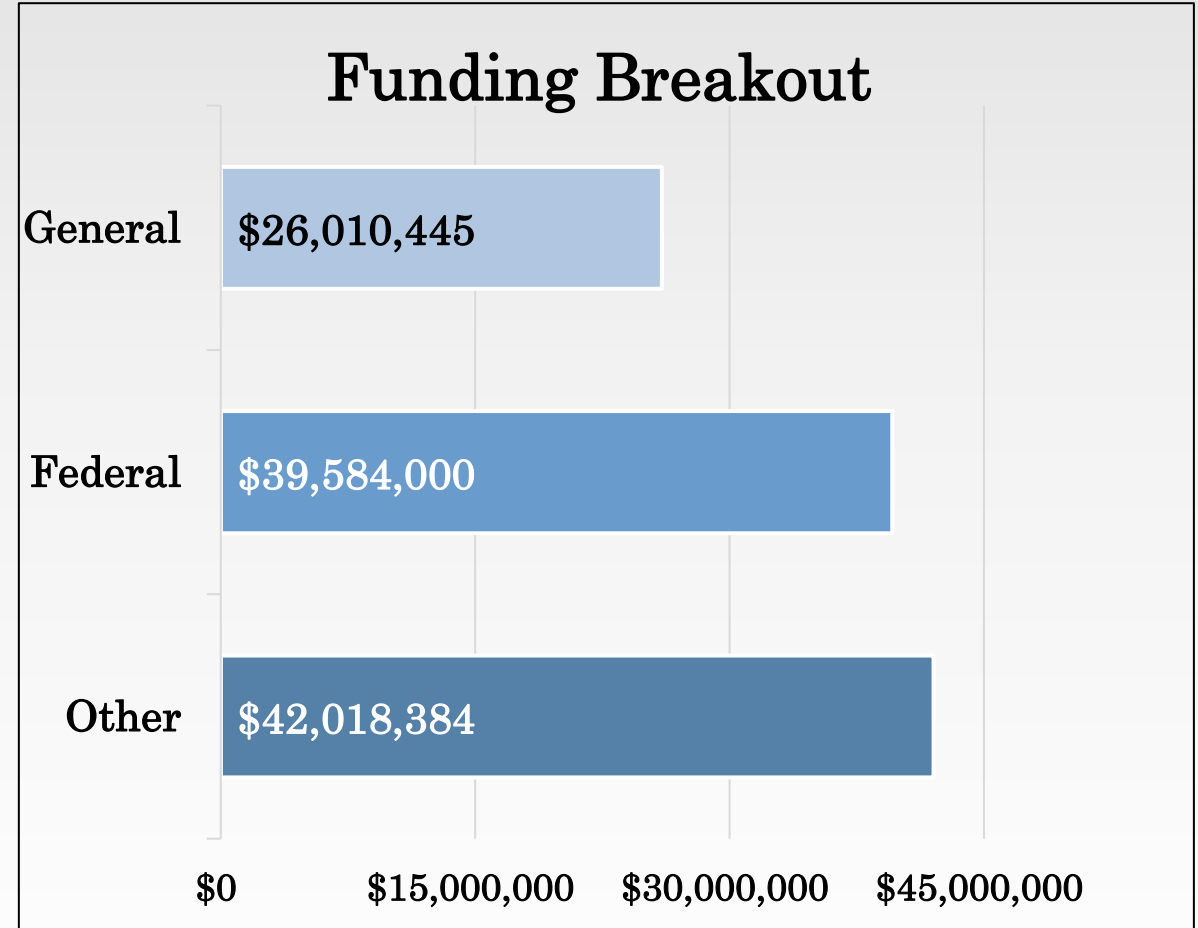
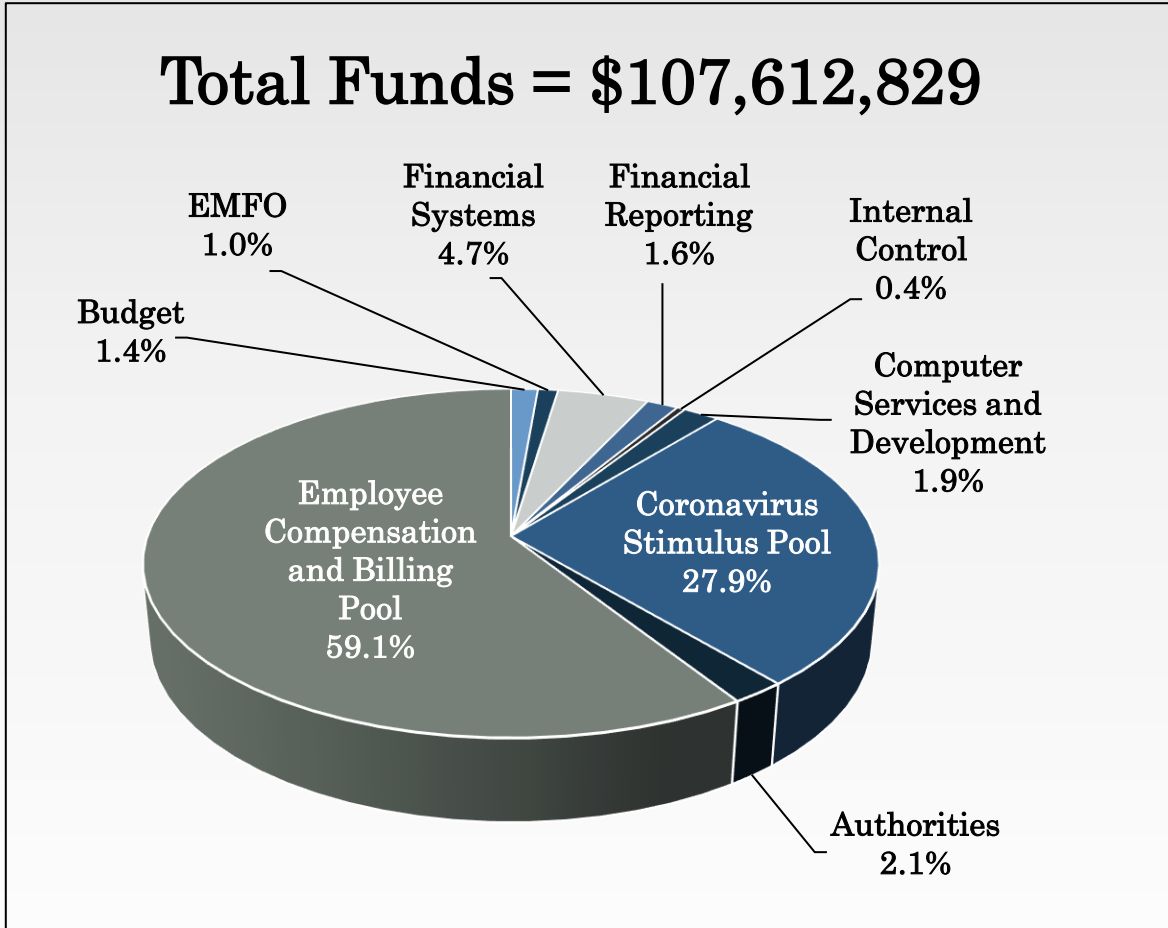
## Authorities

Health and Educational Facilities

Building Authority

Educational Enhancement Funding Corporation

# Fiscal Year 2025 Recommended Budget



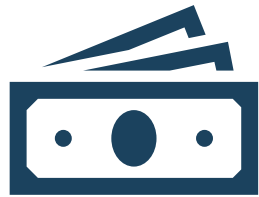
# Fiscal Year 2025 Recommended Budget

Budget	FTE	General	Federal	Other	Total
FY2024 Base Budget	48.0	1,469,300	101,706,801	33,964,033	137,140,134
FY2025 Recommended Budget	<u>49.0</u>	<u>26,010,445</u>	<u>39,584,000</u>	<u>42,018,384</u>	<u>107,612,829</u>
<b>Change</b>	<b>1.0</b>	<b>\$24,541,145</b>	<b>(\$62,122,801)</b>	<b>\$8,054,351</b>	<b>(\$29,527,305)</b>

Recommended Changes	FTE	General	Federal	Other	Total
State Employee Salary Policy		22,012,549	6,146,749	476,540	28,635,838
Bureau Billing Pool		2,089,788	1,450,520	6,386,581	9,926,889
Per Diem Pool		438,808	279,930	849,590	1,568,328
Coronavirus Stimulus Pool			<b>(70,000,000)</b>		<b>(70,000,000)</b>
Systems Maintenance				242,792	242,792
Financial Systems Analyst	<u>1.0</u>	<u>0</u>	<u>0</u>	<u>98,848</u>	<u>98,848</u>
<b>Total Recommended Changes</b>	<b>1.0</b>	<b>\$24,541,145</b>	<b>(\$62,122,801)</b>	<b>\$8,054,351</b>	<b>(\$29,527,305)</b>

# Per Diem Pool

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**\$1,568,328**  
**in total funds**

General - \$438,808  
Federal - \$279,930  
Other - \$849,590



**Hotel**  
**Lodging**

\$75 to \$107/night  
Rate aligned with  
General Service  
Administration rate

\$1,194,268 in total funds



**Mileage**  
**Rate**

51 to 65.5 cents/mile  
Rate aligned with  
Internal Revenue  
Service rate

\$251,205 in total funds



**Highway**  
**Patrol Meals**

\$14 to \$17 per day  
\$122,855 in total funds



# Coronavirus Pool

Reduction of \$70,000,000 in federal fund expenditure authority for both FY2025 and FY2024

Purpose of funding is two-fold

1. Provide expenditure authority to State agencies impacted by the coronavirus pandemic
2. Cover State and Local Fiscal Recovery Funds administrative expenses



# Financial Systems

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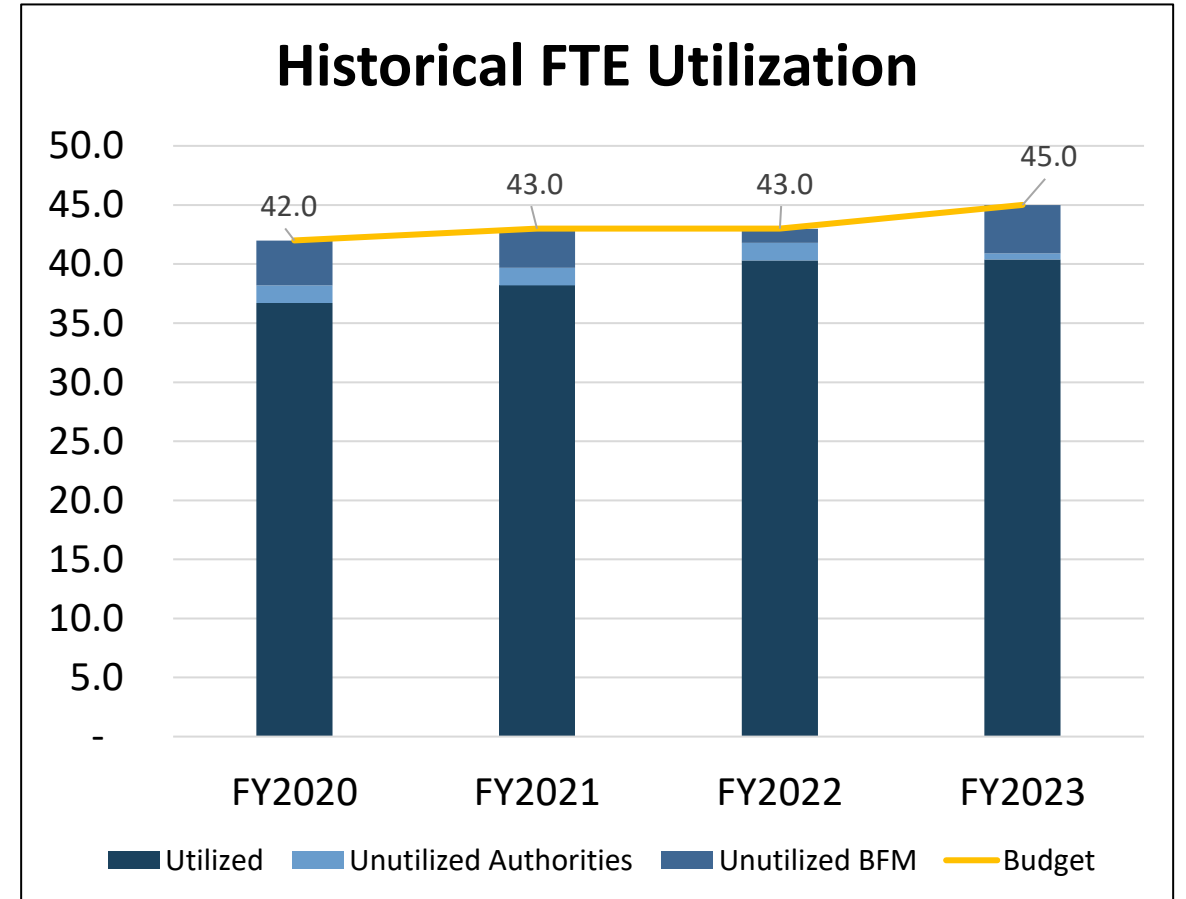
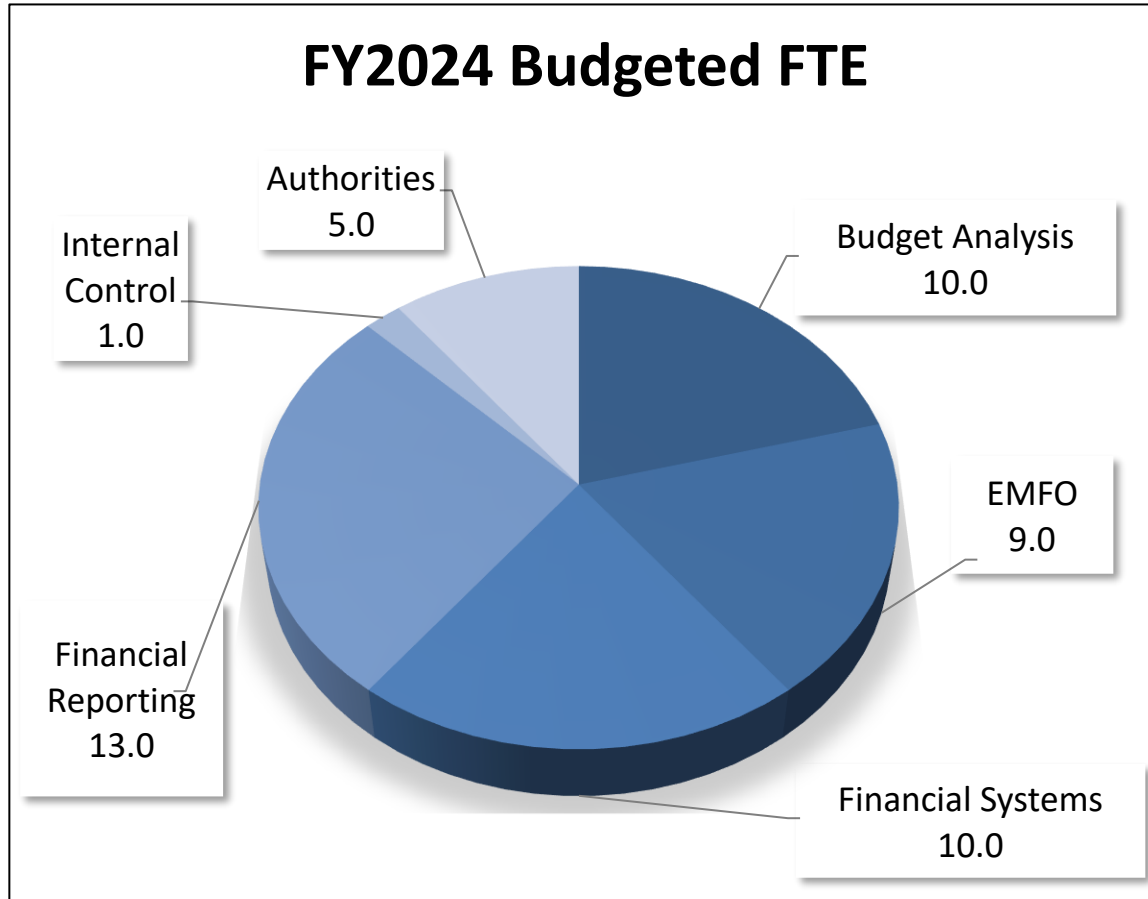
**\$242,792 in other funds**

- Needed to cover the rising maintenance costs of current financial systems
  - ✓ Central Accounting System
  - ✓ Payroll/Human Resources System
  - ✓ Budget System
  - ✓ Financial Reporting

**1.0 FTE and \$98,848 in other funds**

- Additional staff needed to maintain current operations and to support future financial systems

# Workforce and FTE



# Outlook and Operational Initiatives



Budgetary and bureau outlook



Implementing two large IT projects  
– BISON and Evergreen



Current initiatives will allow for  
greater efficiency and effectiveness  
for years to come



Project BISON will allow the State  
to align processes with industry  
best-practices

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# Project BISON

- \$70M appropriated in 2023 Legislative Session
- Milestones achieved since last Session:
  - ✓ Completed RFI and initial demonstrations
  - ✓ Procured Project Management Services
  - ✓ Independent Verification and Validation Services
  - ✓ ERP Software and Implementation RFP Issuance
- Expectations Over Next Few Months
  - ✓ Receive Best and Final Offers from vendors
  - ✓ Contract negotiations
  - ✓ Continue pre-implementation activities
  - ✓ Project kick-off in late Spring

<https://bison.sd.gov>





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