

Commerce

Departmentwide and Economic Development

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LFB Summary Items for Which Issue Papers Have Been Prepared

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21a	Hazardous Pollution Prevention Contract Funding and Biotechnology Position (Paper #290)

Base Agency: Department of Commerce—Dept. Wide and Economic Development (Position Transfer to Administrative Services)

Recommendations:

Paper No. 285: Alternatives: 2 ✓

Comments: This approves the governor's recommendation with an adjustment for increased administrative service charges. LFB seems to think the adjustment is necessary, and it seems okay to me.

Prepared by: Julie



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May 6, 1999

Joint Committee on Finance

Paper #285

Position Transfer to Administrative Services (Commerce -- Departmentwide and Economic Development)

[LFB 1999-01 Budget Summary: Page 133, #6]

CURRENT LAW

The Division of Administrative Services provides internal management services to the Department in the areas of information technology, telecommunications, personnel, payroll, employe development, affirmative action, policy and budget development, procurement and printing, health and safety, fiscal management, property and space management and mail handling. Base level funding for the Division is \$1,941,400 GPR and 18.0 GPR positions, \$2,653,600 PR and 40.30 PR positions and \$185,400 FED and 6.0 FED positions.

GOVERNOR

Provide \$482,900 PR and 8.0 PR positions annually and delete \$161,400 FED, 3.0 FED positions, \$286,200 GPR, 4.5 GPR positions, \$35,300 SEG and 0.5 SEG positions annually to reflect the transfer of administrative positions to the Administrative Services Division's program revenue charge-back appropriation. The source of program revenue is fees charged to the Department's programs for administrative services provided.

Further, provide \$163,200 PR and \$74,600 SEG in 1999-00 and \$163,800 PR and \$75,000 SEG in 2000-01 in various appropriations to fund increased charges for administrative services performed for the various programs. The increased administrative charges would reflect position transfers, pay plan and fringe benefit costs and position reclassifications. This provision would increase expenditure authority in appropriations that would be charged for the increased costs of administrative services.

DISCUSSION POINT

The amounts provided in the bill for administrative service charges were based on an estimated per employe charge that was determined prior to introduction of the bill. Since the bill was introduced, the administration and Department have determined that, in order to fully fund administrative costs, the per employe administrative charge will be higher. The increased expenditure authority provided in the bill for certain appropriations is not sufficient to cover recalculated service charges. Commerce requests increased expenditure authority for those appropriations.

ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to provide \$482,900 PR and 8.0 PR positions annually and delete \$161,400 FED, 3.0 FED positions, \$286,200 GPR, 4.5 GPR positions, \$35,300 SEG and 0.5 SEG positions annually to reflect the transfer of administrative positions to the Administrative Services Division's program revenue charge-back appropriation. Further, provide \$163,200 PR and \$74,600 SEG in 1999-00 and \$163,800 PR and \$75,000 SEG in 2000-01 in various appropriations to fund increased charges for administrative services performed.

<u>Alternative 1</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>SEG</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Base)	- \$572,400	- \$322,800	\$1,292,800	\$79,000	\$476,600
<i>[Change to Bill]</i>	\$0	\$0	\$0	\$0	\$0]
2000-01 POSITIONS (Change to Base)	- 4.50	- 3.00	8.00	- 0.50	0.00
<i>[Change to Bill]</i>	0.00	0.00	0.00	0.00	0.00]

2. Approve the Governor's recommendation. In addition, provide \$28,900 PR and \$9,200 SEG annually to adjust various appropriations to reflect increased administrative service charges related to the transfer of administrative positions to the Administrative Services Division's program revenue charge-back appropriation.

<u>Alternative 2</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>SEG</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Base)	- \$572,400	- \$322,800	\$1,350,600	\$97,400	\$552,800
<i>[Change to Bill]</i>	\$0	\$0	\$57,800	\$18,400	\$76,200]
2000-01 POSITIONS (Change to Base)	- 4.50	- 3.00	8.00	- 0.50	0.00
<i>[Change to Bill]</i>	0.00	0.00	0.00	0.00	0.00]

3. Maintain current law.

<u>Alternative 3</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>SEG</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Base)	\$0	\$0	\$0	\$0	\$0
<i>[Change to Bill]</i>	\$572,400	\$322,800	- \$1,292,800	- \$79,000	- \$476,600]
2000-01 POSITIONS (Change to Base)	0.00	0.00	0.00	0.00	0.00
<i>[Change to Bill]</i>	4.50	3.00	- 8.00	0.50	0.00]

Prepared by: Ron Shanovich