



## Legislative Fiscal Bureau

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May 26, 2011

Joint Committee on Finance

Paper #813

### Long-Term Vacancies (DWD)

[LFB 2011-13 Budget Summary: Page 537, #3]

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#### CURRENT LAW

No provision.

#### GOVERNOR

Delete \$4,977,900 (all funds) and 85.88 positions annually to reflect the elimination of long-term vacant positions in the Department of Workforce Development (DWD). The proposed reductions include \$488,400 GPR and 9.27 GPR positions, \$3,317,400 FED and 59.76 FED positions, \$1,091,000 PR and 15.60 PR positions, and \$81,100 SEG and 1.25 SEG positions annually. The reductions are associated with positions that have been vacant for 12 months or more.

#### DISCUSSION POINTS

1. On March 31, 2011, the Secretary of the Department of Administration (DOA) sent a letter to the Co-Chairs of the Committee requesting a number of modifications to correct errors in the Governor's budget bill or better reflect the Governor's intent. One of the changes requested was to restore 3.77 FTE positions and \$210,900 annually to DWD related to long-term vacancies.

2. After the March 31 letter was received, this office contacted DOA to obtain more detail regarding which positions would be restored and the reason for the changes. DOA has provided the necessary information, but indicates that 31.32 positions had been misidentified under the long-term vacancy provision. According to the administration, 17.12 positions were deleted that were not vacant for more than twelve months, and 14.20 positions should have been deleted that were vacant for more than one year. The administration requests that the Committee reallocate the long-term vacancy deletions to reflect the Governor's intent. The administration's request would reduce annual funding and position authority at DWD by \$128,500 PR and 3.20 PR positions, and would increase annual funding and position authority by \$339,400 FED and 6.97 FED positions,

among four appropriations. The following table shows, by Division, the positions that would be restored and deleted under the proposed modifications.

**DOA's Requested Change as Compared to the Budget Bill**

<u>Description</u>	<u>Budget Bill Deletion</u>		<u>Proposed Deletion</u>		<u>Change to Bill</u>		
	Annual		Annual		Annual		
	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>	<u>Funding</u>	<u>Positions</u>	
Administrative Services Division	-\$108,800	-2.10	-\$237,300	-5.30	-\$128,500	-3.20	PR
Administrative Services Division	-2,594,200	-46.42	-1,637,500	-29.30	956,700	17.12	FED
Division of Employment and Training	-138,300	-2.08	-788,700	-13.08	-650,400	-11.00	FED
Division of Unemployment Insurance	<u>-33,100</u>	<u>-0.85</u>	<u>0</u>	<u>0.00</u>	<u>33,100</u>	<u>0.85</u>	FED
Totals:	-\$108,800	-2.10	-\$237,300	-5.30	-\$128,500	-3.20	PR
	-2,765,600	-49.35	-2,426,200	-42.38	339,400	6.97	FED
:	-2,874,400	-51.45	-2,663,500	-47.68	210,900	3.77	All Funds

3. In addition to this request, the administration indicates that, prior to introduction of the budget, DWD had requested an intra-agency transfer of 1.6 PR positions and \$80,900 PR within the Administrative Services Division (ASD). DOA had approved the transfer of appropriation authority; however, the administration had not entered the position transfer into the budget system. DWD had based their long-term vacancy deletions under the assumption that DOA had entered the position transfer. The administration requests that the Committee modify the budget bill to reflect the approval of this intra-agency transfer of funding and positions between these two appropriations.

**ALTERNATIVES**

1. Approve the Governor's proposal and provide no change to the budget bill.
2. Modify the bill to delete the 14.20 FTE positions identified by DOA as vacant for 12 months or more instead of the 17.97 FTE positions that were incorrectly identified as such. Restore \$210,900 (-\$128,500 PR and \$339,400 FED) annually. Modify the bill to transfer appropriation authority of 1.6 FTE and funding of \$80,700 PR between appropriations in ASD.

<b>ALT 2</b>	<b>Change to Bill</b>	
	Funding	Positions
PR	-\$257,000	- 3.20
FED	<u>678,800</u>	<u>6.97</u>
Total	\$421,800	3.77

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