



04-08-14 P01:01 IN

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
BUDGET OFFICE
One Capitol Hill
Providence, R.I. 02908-5886

Memorandum

To: The Honorable Raymond Gallison
Chairman, House Finance Committee

The Honorable Daniel DaPonte
Chairman, Senate Finance Committee

From: Thomas A. Mullaney
Executive Director/State Budget Officer

Date: April 8, 2014

Subject: Amendments to FY 2015 Appropriations Act (14-H-7133)

The Governor requests that several amendments be made to the FY 2015 Appropriations Act, which was submitted to the General Assembly on January 15, 2014. The amendments include changes to appropriation amounts in Article 1, Relating to Making Appropriations in Support of FY 2015, and Article 10, Relating to Making Revised Appropriations in Support of FY 2014.

Also included are minor adjustments to Higher Education sponsored research FTE position authorizations for the University of Rhode Island and the Community College of Rhode Island in Articles 1 and 10 and an adjustment to the Elementary and Secondary Education FY 2015 FTE position authorization to account for the extension of the Race to the Top grant. Also included is a new section in Article 10 requiring the Department of Administration to transfer \$925,419 from the Restoration and Replacement Insurance Coverage restricted receipt account to the state General Fund.

If you have any questions regarding these amendments, please feel free to call me or my staff at 222-6300.

TAM:14-Amend
Attachments

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Steven T. Hartford, Director of Policy
Richard Licht, Director of Administration
Peter Marino, Director of Management and Budget
Gregory Stack, Supervising Budget Analyst

TDD#: 277-1227

**ARTICLE 1, RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF
FY 2015**

SECTION 1, APPROPRIATIONS IN SUPPORT OF FY 2015

Department of Administration

Net Zero Change in Human Resources – General Revenues, Page 2, Line 18. The Governor recommends a net zero change for the general revenue human resources clearing accounts that were not included in the original budget submission.

Decrease Planning - Federal Funds, Page 3, Line 14 by \$100,688 from \$12,662,645 to \$12,561,957. The decrease reflects correction of an erroneous double counting of the personnel costs for a new position beginning in FY 2015 for the Division of Planning, which will be responsible for monitoring and coordinating the Hurricane Sandy federal funding.

Decrease Energy Resources - Restricted Receipts, Page 5, Line 28 by \$50,000 from \$5,265,426 to \$5,215,426. Expenditures prior to FY 2014 for Exxon Interest Earnings were erroneously posted to the State Energy Plan. This was discovered in the close-out of the State Energy Plan grant. The Governor recommends shifting restricted receipt funding from FY 2015 to FY 2014 in order to correctly reconcile these costs to the Exxon Interest Earnings line sequence and properly close-out the State Energy Plan grant.

Department of Health

Net Zero Change in the Central Management Program– General Revenues, Page 14, Line 7. The Governor recommends a net zero change in general revenues due to the shift of \$208,240 into a Legislative Grants natural account. This financing was budgeted under an incorrect natural account.

Department of Human Services

Decrease Individual and Family Support - Federal Funds, Page 15, Line 24 by \$4,387,565 from \$117,044,391 to \$112,656,826. This decrease corrects for the erroneous inclusion in the FY 2015 recommendation of the FY 2013 demand side management grant program expenditures.

Department of Elementary and Secondary Education

Decrease Administration of the Comprehensive Education Strategy - General Revenues, Page 19, Line 9 by \$549,767 from \$19,968,574 to \$19,418,807. The Governor recommends withdrawal of funds for legislative grants to Woonsocket Schools (\$500,000) and East Providence High School (\$50,000), a reduction of

\$550,000, for grants that were intended to be one-time awards in FY 2014. This is offset by an increase of \$233 due to data updates in the Group Home Aid program.

Decrease Administration of the Comprehensive Education Strategy – HRIC Adult Education Grants, Page 19, Line 17 by \$300,000 from \$3,800,000 to \$3,500,000. The Governor recommends decreasing the Human Resources Investment Council Adult Education Grants restricted receipt account. The FY 2014 Budget included a one-time increase of \$300,000 that was carried over to the FY 2015 recommendation in error.

RI Higher Education Assistance Authority

Increase Federal Funds - WaytogoRI Portal, Page 24 Line 22 by \$262,919 from \$650,000 to \$912,919 and decrease Federal Funds, Page 24, Line 21 by \$262,919 from \$11,180,967 to \$10,918,048. The Governor recommends shifting \$262,919 of federal funds from the RIHEAA Administration Student Loan Program account to the WaytogoRI Web Portal account. For purposes of clarity, the Governor recommends reflecting all WaytogoRI Web Portal expenditures in the same account. This is part of an initiative to improve the presentation of financial data with the goal of making program expenditures more transparent.

Increase Other Funds - Tuition Savings Program – Needs Based Grants and Work Opportunities, Page 24, Line 29 by \$1,000,000 from \$6,500,000 to \$7,500,000. The Governor recommends adding \$1.0 million of other funds to include funding for the Academic Promise Program in FY 2015. Funding for the program was inadvertently omitted in the Governor's FY 2015 budget.

Department of Environmental Management

Net Zero Change in the Natural Resources – Federal Funds, Page 30, Line 25. This change reflects a federal shift of \$570,000 from Wildlife Habitat Development to Bureau of Outdoor Recreation Projects and Atlantic Coast Co-op Statistics.

Increase Environmental Protection - Federal Funds, Page 31, Line 11 by \$80,000 from \$10,281,483 to \$10,361,483. This change consists of an increase of \$80,000 for a wastewater study under the Floods Disaster Recovery Grant. There is also a federal shift of \$220,000 from Non-Point Source Pollution to National Pollution Discharge and Groundwater - 106.

Coastal Resources Management Council

Decrease Federal Funds, Page 31, Line 21 by \$28,470 from \$1,802,613 to \$1,774,143. The Governor recommends this reduction due to a change in the time period available for the expenditure of the R.I. Aquatic Invasive Species grant from three to five years to one year. The funds will not be available after June 30, 2014. The overall grant total of \$110,530 has not changed.

SECTION 10, FY 2015 FTE POSITION AUTHORIZATION

Page 35, Line 34: Increase the Elementary and Secondary Education's FTE position authorization level from 154.9 to 161.4, or an increase of 6.5 FTE positions. This would accommodate a no-cost extension to July 1, 2015 granted for the Race to the Top grant, which originally was set to expire September 30, 2014. Prior to this amendment, 5.5 FTE positions of the authorization level were attributed to this grant; the Department requests this to be restored to 12.0 FTE positions, which are currently filled and supported by this grant.

Page 36, Line 7: Increase the University of Rhode Island's third-party funds FTE position authorization from 501.2 to 573.8, or an increase of 72.6 FTE positions. This amendment would restore the third-party funded FTE position authorization to the FY 2014 enacted level of 593.2 FTE positions, less the 19.4 FTE positions added to Gen Ed and the Dining auxiliary. This change does not authorize additional FTE positions, but rather increases the number that can be supported by third-party funds within the overall authorization.

Page 36, Line 13: Increase the Community College of Rhode Island's third-party funds FTE position authorization from 58.7 to 94.0, or an increase of 35.3 FTE positions. This amendment would restore the third-party funded FTE position authorization to the FY 2014 enacted level of 100.0 FTE positions, less the 6.0 FTE positions added to Gen Ed. This change does not authorize additional FTE positions, but rather increases the number that can be supported by third-party funds within the overall authorization.

ARTICLE 10, RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2014

SECTION 1, REVISED APPROPRIATIONS IN SUPPORT OF FY 2014

Department of Administration

Increase Office of Management and Budget - Restricted Receipts, Page 69, Line 19 by \$50,000 from \$265,939 to \$315,939. The increase reflects a grant from the Rhode Island Foundation that was not included in the original budget submission for the Statewide E-permitting project. The grant is being used to purchase equipment and training for the Building Code Commissioner and State Fire Marshall's Office to support the E-permitting project.

Decrease Auditing - Other Funds, Page 69, Line 28 by \$25,000 from \$25,000 to \$0. The decrease reflects a change in the presentation of how the Bureau of Audits will be reimbursed by the Rhode Island Emergency Management Agency for work

Governor's Article 1, Section 1 March Amendments to FY 2015 Appropriations Act (14-H-7133)

	Page No./ Line No.	FY 2015 Original Submittal	Governor's March Amendments	FY 2015 Revised Recommend
Department of Administration				
Human Resources				
General Revenues	Page 2, Line 18	7,830,548	[0]	7,830,548
Planning				
Federal Funds	Page 3, Line 14	12,662,645	(100,688)	12,561,957
Total - Planning	Page 3, Line 19	20,112,602	(100,688)	20,011,914
Energy Resources				
Restricted Receipts	Page 5, Line 28	5,265,426	(50,000)	5,215,426
Total - Energy Resources	Page 5, Line 29	5,790,201	(50,000)	5,740,201
Grand Total - Administration	Page 6, Line 8	432,514,812	(150,688)	432,364,124
Department of Health				
Central Management				
General Revenues	Page 14, Line 7	541,605	0	541,605
Total - Central Management	Page 14, Line 10	12,839,576	0	12,839,576
Grand Total - Health	Page 15, Line 10	122,600,780	0	122,600,780
Department of Human Services				
Individual and Family Support				
Federal Funds	Page 15, Line 24	117,044,391	(4,387,565)	112,656,826
Federal Funds Total	Page 15, Line 26	127,615,989	(4,387,565)	123,228,424
Total - Individual and Family Support	Page 15, Line 34	161,999,153	(4,387,565)	157,611,588
Grand Total - Human Services	Page 17, Line 2	655,462,770	(4,387,565)	651,075,205
Department of Elementary and Secondary Education				
Administration of the Comprehensive Education Strategy				
General Revenues	Page 19, Line 9	19,968,574	(549,767)	19,418,807
Restricted Receipts				
HRIC Adult Education Grants	Page 19, Line 17	3,800,000	(300,000)	3,500,000
Restricted Receipts Total	Page 19, Line 18	5,069,741	(300,000)	4,769,741
Total - Administration of the Comprehensive Education Strategy	Page 19, Line 25	235,090,412	(849,767)	234,240,645
Grand Total - General Revenue	Page 21, Line 4	1,007,205,243	(549,767)	1,006,655,476
Grand Total - Elementary and Secondary Education	Page 21, Line 5	1,249,201,477	(849,767)	1,248,351,710
Rhode Island Higher Education Assistance Authority				
Federal Funds				
Federal Funds	Page 24, Line 21	11,180,967	(262,919)	10,918,048
WaytoGoRI Portal	Page 24, Line 22	650,000	262,919	912,919
Federal Funds Total	Page 24, Line 24	13,330,967	0	13,330,967
Other Funds				
Tuition Savings Prgm-Needs Based Grants and Work Opp	Page 24, Line 29	6,500,000	1,000,000	7,500,000
Other Funds Total	Page 24, Line 31	6,834,268	1,000,000	7,834,268
Grand Total - RI Higher Education Assistance Authority	Page 24, Line 32	24,446,961	1,000,000	25,446,961
Department of Environmental Management				
Environmental Protection				
Federal Funds	Page 31, Line 11	10,281,483	80,000	10,361,483
Total - Environmental Protection	Page 31, Line 16	30,600,987	80,000	30,680,987

Governor's Article 1, Section 1 March Amendments to FY 2015 Appropriations Act (14-H-7133)

	Page No./ Line No.	FY 2015 Original Submittal	Governor's March Amendments	FY 2015 Revised Recommend
Grand Total - Environmental Management	Page 31, Line 18	95,827,457	80,000	95,907,457
Coastal Resources Management Council				
Federal Funds	Page 31, Line 21	1,802,613	(28,470)	1,774,143
Grand total - Coastal Resources Mgmt. Council	Page 31, Line 23	4,238,151	(28,470)	4,209,681
Statewide Totals				
General Revenues	Page 32, Line 33	3,456,087,970	(549,767)	3,455,538,203
Federal Funds	Page 32, Line 34	2,878,350,086	(4,436,723)	2,873,913,363
Restricted Receipts	Page 33, Line 1	258,886,990	(350,000)	258,536,990
Other Funds	Page 33, Line 2	1,950,636,957	1,000,000	1,951,636,957
Statewide Grand Total	Page 33, Line 3	8,543,962,003	(4,336,490)	8,539,625,513

Summary of Governor's Article 1, Section 1 March Amendments to FY 2015 Act (14-H-7133)

Department/Item	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total
FY 2015 Recommend (Gov's Original Recommendation)	3,456,087,970	2,878,350,086	258,886,990	1,950,636,957	8,543,962,003
March Amendments					
Department of Administration					
HR - GR Clearing Accounts Originally Not Included	[0]	-	-	-	[0]
Planning - Double budgeted new Sandy FTE	-	(100,688)	-	-	(100,688)
Energy Resources - Exxon Costs from SEP Closeout	-	-	(50,000)	-	(50,000)
Department of Health					
Net zero shift of funding for Legislative Grants	-	-	-	-	-
Department of Human Services					
Individual and Family Support - Demand Side Management Grants	-	(4,387,565)	-	-	(4,387,565)
Department of Elementary and Secondary Education					
Group Home Funding	233	-	-	-	233
Legislative Grants	(550,000)	-	-	-	(550,000)
HRIC	-	-	(300,000)	-	(300,000)
Rhode Island Higher Education Assistance Authority					
Academic Promise Program	-	-	-	1,000,000	1,000,000
Shift WaytogoRI payroll to WaytogoRI Account (no net change)	-	[\$262,919]	-	-	(No net change)
Department of Environmental Management					
Natural Resources - Atlantic Coastal Co-Op Statistics	-	70,000	-	-	70,000
Natural Resources - Bureau of Outdoor Recreation Projects	-	500,000	-	-	500,000
Natural Resources - Wildlife Habitat Development	-	(570,000)	-	-	(570,000)
Environmental Protection - Floods Disaster Recovery	-	80,000	-	-	80,000
Environmental Protection - Non-Point Source Pollution	-	(220,000)	-	-	(220,000)
Environmental Protection - National Pollution Discharge	-	120,000	-	-	120,000
Environmental Protection - Groundwater - 106	-	100,000	-	-	100,000
Coastal Resources Management Council					
Aquatic Invasive Species Management	-	(28,470)	-	-	(28,470)
Total - Governor's March Amendments to FY 2015	(549,767)	(4,436,723)	(350,000)	1,000,000	(4,336,490)
Total Recommended Expenditures	3,455,538,203	2,873,913,363	258,536,990	1,951,636,957	8,539,625,513
Internal Service Funds					