

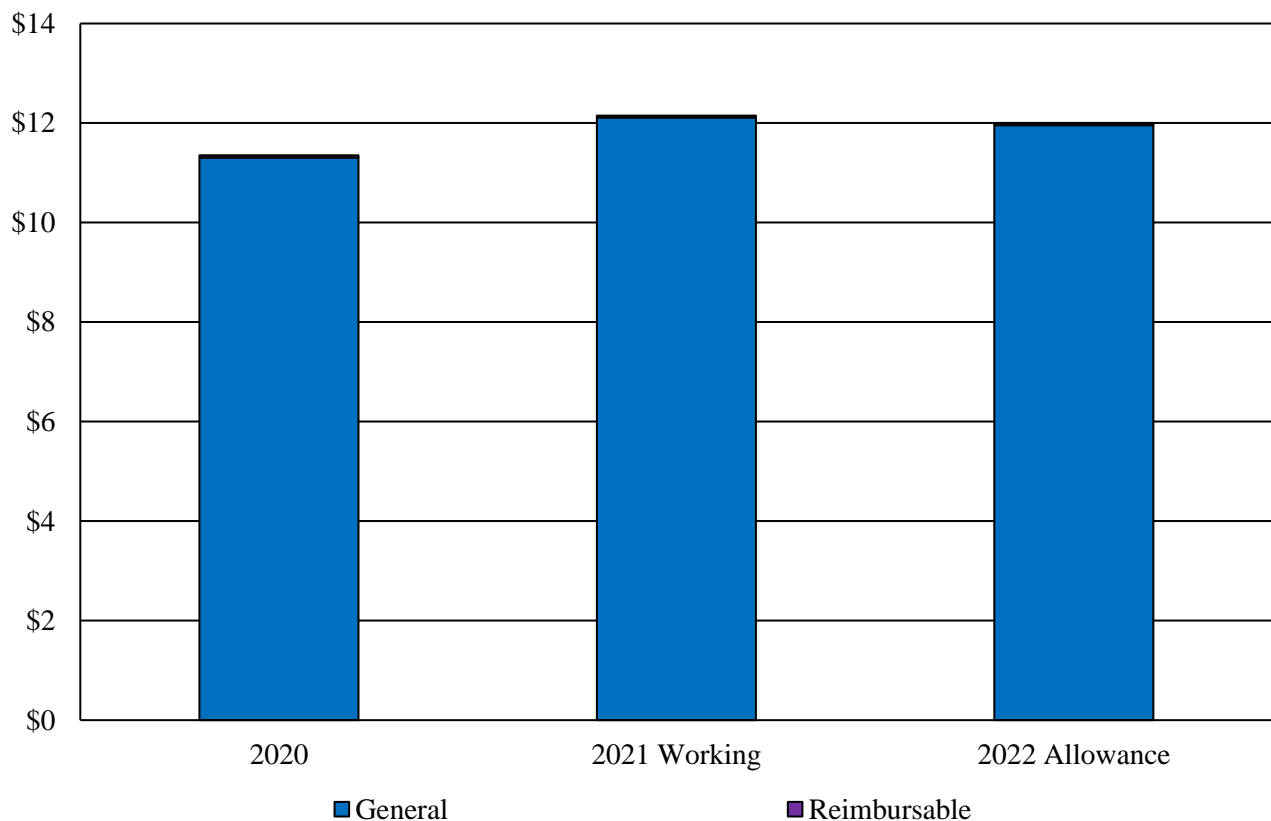
D10A01
Executive Department – Governor

Program Description

As the chief executive, the Governor exercises supervision over the agencies of the Executive Branch. The Governor presents to the General Assembly in the annual budget a work program and the financial requirements for the ensuing year and reports on the condition of the State. Amendments to the enacted budget are approved by the Governor. In discharging the duties of the office, the Governor appoints officials and grants pardons and reprieves. The Governor represents the State in its relations with other jurisdictions and the public.

Operating Budget Summary

Fiscal 2022 Budget Decreases \$152,000, or 1.6%, to \$12.0 Million
(\$ in Millions)



Note: The fiscal 2021 appropriation includes deficiencies, planned reversions, and a general salary increase. The fiscal 2022 allowance includes contingent reductions and annualization of the fiscal 2021 general salary increase.

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Fiscal 2021

Cost Containment

Action taken by the Board of Public Works on July 1, 2020, reduced the budget for the Governor’s Office by \$447,780 and included the elimination of 0.5 vacant positions. Reductions comprised agency-specific reductions totaling \$340,835 made to accrued leave payments, contractual services, supplies, equipment, vehicle maintenance, and travel and \$106,945 in statewide reductions to information technology (IT) salaries and unemployment insurance.

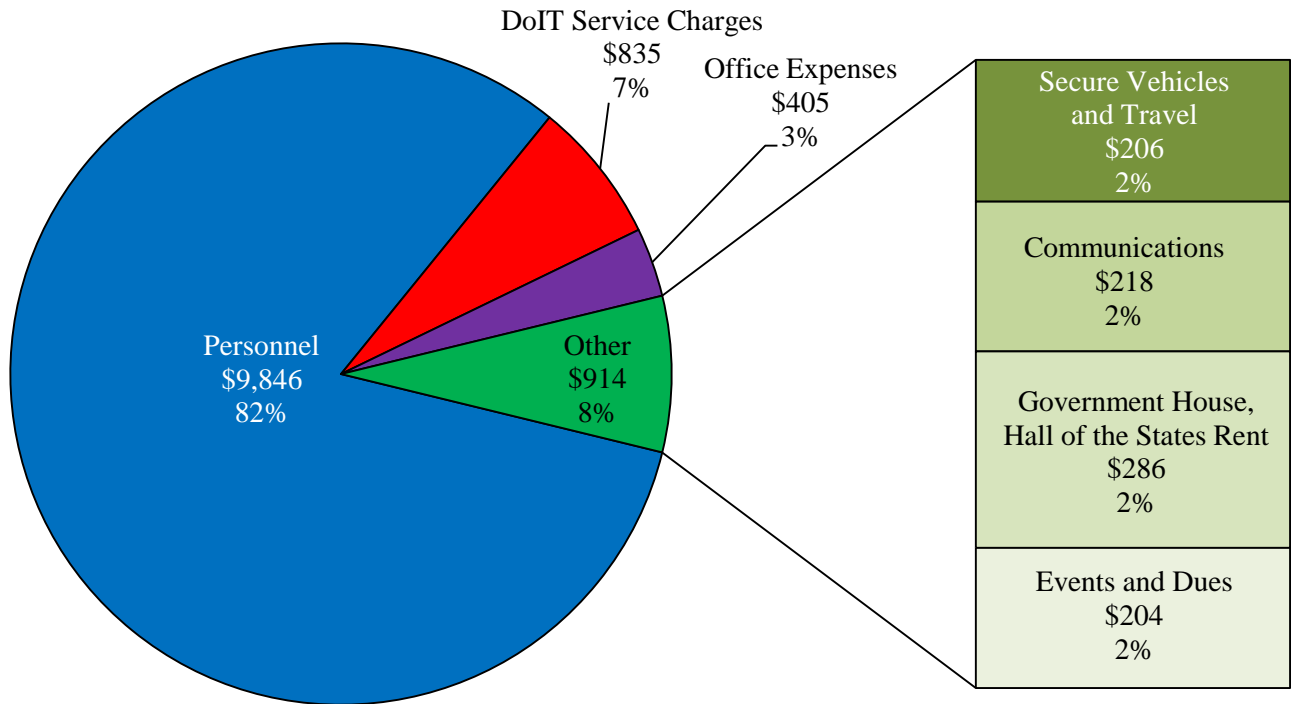
General Salary Increase

The 2% general salary increase that took effect on January 1, 2021, adds \$88,048 to the Governor’s budget. These funds are budgeted in the Department of Budget and Management (DBM) Statewide Account and will be distributed to agencies via budget amendment.

Fiscal 2022 Overview of Agency Spending

Exhibit 1 shows the fiscal 2022 allowance for the Governor’s Office by category. Personnel costs comprise the majority of the budget at 82%. The remaining 18% of projected spending is split among IT service charges (7%), office expenses (3%), and various categories comprising 2% or less of total projected spending.

Exhibit 1
Overview of Agency Spending
Fiscal 2022 Allowance
(\$ in Thousands)



DoIT: Department of Information Technology

Source: Governor’s Fiscal 2022 Budget Books; Department of Legislative Services

Proposed Budget Change

The fiscal 2022 allowance for the Governor’s Office is \$152,000 lower than the current year working appropriation. As shown in **Exhibit 2**, the majority of the reduction occurs in personnel expenses with the largest reduction related to the abolition of 1 vacant position and position reclassifications. General cost containment reductions are made throughout the nonpersonnel portion of the budget.

Exhibit 2
Proposed Budget
Executive Department – Governor
(\$ in Thousands)

How Much It Grows:	General Fund	Reimb. Fund	Total
Fiscal 2020 Actual	\$11,309	\$43	\$11,352
Fiscal 2021 Working Appropriation	12,109	43	12,152
Fiscal 2022 Allowance	<u>11,957</u>	<u>43</u>	<u>12,000</u>
Fiscal 2021-2022 Amount Change	-\$152	\$0	-\$152
Fiscal 2021-2022 Percent Change	-1.3%		-1.2%

Where It Goes:	Change
Personnel Expenses	
Fiscal 2021 general salary increase annualization	\$80
Employees' retirement contributions	64
Employee and retiree health insurance	52
Unemployment compensation	20
Workers' compensation premium assessment	-12
Turnover adjustments.....	-111
Abolished/reclassified positions	-223
Other fringe benefit adjustments.....	-1
Other Changes	
Department of Information Technology services allocation.....	67
Sign language interpreter services at \$2,200 above fiscal 2020 actual.....	-1
Vehicle gas and oil budgeted at \$5,000 increase over fiscal 2020 actual	-2
Statewide personnel system allocation	-2
Microcomputer replacements.....	-5
Food services contractual services.....	-5
Printing at \$2,200 above fiscal 2020 actual	-10
Remove one-time computer purchase.....	-11
Software licenses at \$2,500 above fiscal 2020 actual	-20
Contractual full-time equivalent costs	-32
Total	-\$152

Note: Numbers may not sum to total due to rounding. The fiscal 2021 appropriation includes deficiencies, planned reversions, and a general salary increase. The fiscal 2022 allowance includes contingent reductions and annualization of the fiscal 2021 general salary increase.

Personnel Data

	<u>FY 20</u> <u>Actual</u>	<u>FY 21</u> <u>Working</u>	<u>FY 22</u> <u>Allowance</u>	<u>FY 21-22</u> <u>Change</u>
Regular Positions	82.50	81.00	80.00	-1.00
Contractual FTEs	<u>2.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
Total Personnel	84.50	82.00	81.00	-1.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	4.06	5.08%
Positions and Percentage Vacant as of 11/30/20	11.00	13.58%

Vacancies Above (Below) Turnover 6.94

- The fiscal 2022 allowance contains 1 fewer authorized position than the current year working appropriation. The Governor’s Office of Performance Improvement was transferred to DBM, and the vacant director position for that unit is deleted from the budget for the Governor’s Office.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

**Appendix 1
Object/Fund Difference Report
Executive Department – Governor**

<u>Object/Fund</u>	<u>FY 20 Actual</u>	<u>FY 21 Working Appropriation</u>	<u>FY 22 Allowance</u>	<u>FY 21 - FY 22 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	82.50	81.00	80.00	-1.00	-1.2%
02 Contractual	2.00	1.00	1.00	0.00	0%
Total Positions	84.50	82.00	81.00	-1.00	-1.2%
Objects					
01 Salaries and Wages	\$ 9,531,874	\$ 9,809,926	\$ 9,599,105	-\$ 210,821	-2.1%
02 Technical and Special Fees	79,296	110,567	78,789	-31,778	-28.7%
03 Communication	242,640	217,743	217,743	0	0%
04 Travel	97,420	120,000	120,000	0	0%
07 Motor Vehicles	79,312	88,234	86,234	-2,000	-2.3%
08 Contractual Services	943,634	1,147,571	1,176,354	28,783	2.5%
09 Supplies and Materials	200,494	185,000	185,000	0	0%
10 Equipment – Replacement	17,799	25,000	20,000	-5,000	-20.0%
11 Equipment – Additional	7,295	36,000	25,000	-11,000	-30.6%
13 Fixed Charges	151,844	323,493	323,493	0	0%
Total Objects	\$ 11,351,608	\$ 12,063,534	\$ 11,831,718	-\$ 231,816	-1.9%
Funds					
01 General Fund	\$ 11,308,775	\$ 12,020,946	\$ 11,789,130	-\$ 231,816	-1.9%
09 Reimbursable Fund	42,833	42,588	42,588	0	0%
Total Funds	\$ 11,351,608	\$ 12,063,534	\$ 11,831,718	-\$ 231,816	-1.9%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or cost-of-living adjustments.