

Senate Finance / Department of Administration Subcommittee
Subcommittee Members: Sen. Kiehl, Sen. Bjorkman, & Sen. Tobin

Narrative Closeout Report
April 11, 2024

RECOMMENDATIONS:

The Senate Finance Budget Subcommittee for the Department of Administration submits the following numbers section FY25 recommendations to the Senate Finance Committee.

Fund Group: (dollars are in thousands)	Senate Sub
Unrestricted General Funds (UGF)	89,857.4
Designated General Funds	33,031.5
Other Funds	199,937.5
Federal Funds	1,243.6
TOTAL FUNDS	324,070.0

Positions:	
Permanent Full-time	1187
Permanent Part Time	7
Temporary	25
TOTAL POSITIONS	1219

BUDGET ACTIONS:

The Senate Finance Budget Subcommittee for the Department of Administration reviewed the FY25 budget request. The following are highlights of the Subcommittee's action.

Amended Budget Request:

The subcommittee accepted most of the governor's amended budget request. These items include:

1. Four positions for the public guardian section in the Office of Public Advocacy.
2. Three positions to support the cloud migration for IRIS and ALDER.

Subcommittee Additions, Reductions and Changes:

The subcommittee made the following reductions:

1. The Office of Administrative Hearings requested additional UGF because vacancies reduced its receipts from hearings. Anticipating those vacancies will be filled promptly, the subcommittee accepted half of the increase.

2. The payroll recruitment and retention incentives were reduced by \$50.0 to reflect the actual amount anticipated to be spent. The funds are repurposed to support training for new hires.
3. The department lacks a clear plan to relocate the payroll office without disrupting payroll operations and creating additional pay problems. The subcommittee denied the \$180.0 increment to pay double rent for a year. This will give the department time to adequately prepare for the upcoming move.

The subcommittee made the following additions:

1. The subcommittee added a project manager to help other departments move to electronic payroll. This will reduce the amount of duplicative work.
2. The subcommittee added \$500.0 to pay for the annual software licensing for the payroll digitization project. The department's plan to cover 2/3 of the cost through reduced staffing at an agency with a staffing crisis is ill advised. The remaining 1/3 of the cost will be covered by using vastly less toner and paper.
3. The subcommittee made a fund source change to support the three IRIS and ALDER positions in the governor's budget request without relying on uncollectable levels of interagency receipts.
4. The subcommittee added \$50.0 to improve training for payroll personnel. This will increase capacity of existing staff and reduce payroll errors.
5. The subcommittee added a fund accountant in the Division of Finance to assist with both fund tracking and preparing annual financial reports.
6. The subcommittee added \$1,200.0 to support public radio grants for rural stations that play a vital role in emergency communications. We also added associated intent language (below).

The subcommittee recommended the following intent language:

1. It is the intent of the legislature that the department allocate the funds to rural public radio stations whose broadcast coverage areas serve 20,000 people or less.
2. It is the intent of the legislature that new retirement applications be processed within six weeks of a completed application before the end of fiscal year 2025.
3. It is the intent of the legislature that defense attorneys take every reasonable action to work through the criminal case backlog expediently.

Additional Recommendations to Full Finance:

The Department of Law is currently providing significant support for Personnel & Labor Relations. The subcommittee recommends Law be given additional authority and PLR employees be reassigned to the division's other responsibilities.

The department is currently evaluating the role of Department Technology Officers. The subcommittee recommends the full Finance Committee return Department Technology Officers from OIT to the departments where appropriate.

ATTACHED REPORTS

The Senate Finance Subcommittee for the Department of Administration adopts the following attached reports:

1. Agency Totals
2. Trans Compare 1: Adjusted Base to Senate Subcommittee
3. Trans Compare 2: Gov Amend+ to Senate Subcommittee
4. Trans Compare 3: House Subcommittee to Senate Subcommittee
5. Wordage

Respectfully Submitted,

Senator Jesse Kiehl