



# OFFICE OF MANAGEMENT & BUDGET

## *State Budget Office*

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### MEMORANDUM

**To:** The Honorable Daniel J. McKee, Governor  
**From:** Joseph Codega Jr., Budget Officer  
**Date:** August 18, 2022  
**Subject:** Reappropriations to FY 2023

This memorandum summarizes the recommended reappropriations from FY 2022 to FY 2023. The authority for reappropriation of unexpended balances is contained in RIGL 35-3-15 as follows:

**§ 35-3-15. Unexpended and unencumbered balances of revenue appropriations.**

(a) All unexpended or unencumbered balances of general revenue appropriations, whether regular or special appropriations, at the end of any fiscal year, shall revert to the surplus account in the general fund, any may be reappropriated by the governor to the ensuing fiscal year and made immediately available for the same purposes as the former appropriations; provided, that the disposition of unexpended or unencumbered appropriations for the general assembly and legislative agencies shall be determined by the joint committee on legislative affairs, and written notification given thereof to the state controller within twenty (20) days after the end of the fiscal year; and furthermore that the disposition of unexpended or unencumbered appropriations for the judiciary, shall be determined by the state court administrator, and written notification given thereof to the state controller within twenty (20) days after the end of the fiscal year.

(b) The governor shall submit a report of such reappropriations to the chairperson of the house finance committee and the chairperson of the senate finance committee of each reappropriation stating the general revenue reappropriation, the unexpended or unencumbered balance, the amount reappropriated, and an explanation of the reappropriation and the reason for the reappropriation by August 20 of each year.

The following recommendations are based upon the current expenditure data from the State's RIFANS accounting system, which is still subject to change by the State Controller. If changes occur that would impact the ability to recommend a reappropriation, an amendment to this letter will be provided.

As of this date, my recommendation includes \$9,268,620 in reappropriations for the General Assembly and \$4,455,506 for the Judiciary, which are required by statute as shown above, and \$4,899,667 of other discretionary reappropriations. These discretionary reappropriations are explained in the body of this memorandum. Based upon expenditure data from the State's RIFANS accounting system as of August 18, 2022, unexpended general revenue appropriations total \$135,941,866, although as noted above, further adjustments and payables may be processed by the State Controller that would change this balance. The recommended reappropriations will reduce the general fund ending balance by \$18,623,793, with the remaining balance of unexpended appropriations lapsing to surplus.

**Discretionary Reappropriations:** The Budget Office recommends \$3,728,596 of discretionary reappropriations for the following departments and agencies for the purposes described below.

**Department of Human Services**

Departmental General Revenue Balance: \$11,574,169

A total reappropriation of \$130,974 is recommended for the Department of Human Services, Individual and Family Support program. These funds will be used for budgeted but uncompleted IT work associated with the Unified Health Infrastructure Project (UHIP) specific to the unwinding of the Public Health Emergency (PHE).

**Department of Administration**

Departmental General Revenue Balance: \$11,012,792

A total reappropriation of \$65,487 is recommended for the Department of Administration, Rhode Island Health Benefits Exchange program. These funds will be used for budgeted but uncompleted IT work associated with the Unified Health Infrastructure Project (UHIP) specific to the unwinding of the Public Health Emergency (PHE).

**Department of Business Regulation**

Departmental General Revenue Balance: \$1,809,901

A total reappropriation of \$592,780 is recommended for the Department of Business Regulation for the replacement of firefighting foam pursuant to the reappropriation provisions in Article 7, Section 1 of the FY 2023 Appropriations Act. The department anticipated funds for the replacement of firefighting foam that contains perfluorinated and polyfluorinated substances with more environmentally friendly foam, to be allocated in FY 2023 and had not started the procurement process when the budget was enacted.

**Department of Behavioral Healthcare, Developmental Disabilities and Hospitals**

Departmental General Revenue Balance: (\$13,775,589)

A total reappropriation of \$1,171,071 is recommended for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals pursuant to a balance in spending for state infrastructure and technology acquisition for individuals within the developmental disabilities system associated with the Developmental Disability Consent Decree as specified within Article 7, Section 1 of the FY 2022 Revised Appropriations Act H7123Aaa under Services for the Developmentally Disabled.

**Department of Elementary and Secondary Education**

Departmental General Revenue Balance: \$4,754,056

A total reappropriation of \$800,000 is recommended for the Department of Elementary and Secondary Education for categorical funds that were unspent at the end of FY 2022: \$500,000 for the Early Childhood Demonstration Fund and \$300,000 for the Multilingual Learners Categorical.

**Department of Labor and Training**

Departmental General Revenue Balance: \$1,167,711

A total reappropriation of \$408,725 is recommended for the Department of Labor and Training. These funds will be used within the Workforce Development Services program to continue support for the Work Immersion initiative and fulfill all existing contracts.

### **Department of Health**

Departmental General Revenue Balance: \$32,684,770

A total reappropriation of \$50,000 is recommended for the Rhode Island Department of Health. These funds will be used within the Center of Vital Records to address unpaid invoices for printing services rendered in FY 2022 but faced delays in having purchase orders issued.

### **Department of Environmental Management**

Departmental General Revenue Balance: \$178,012

A total reappropriation of \$142,395 is recommended for the Department of Environmental Management. These funds will be used to support the following items: within the Division of Environmental Protection, \$132,486 for the disposal of contaminated foam pursuant to the reappropriation provision in Article 7, Section 1 of the FY 2023 Appropriations Act; within the Division of Natural Resources, \$9,909 for Local Agriculture and Seafood Act Grants to award to other grant recipients.

### **Department of Corrections**

Departmental General Revenue Balance: \$6,403,130

A total reappropriation of \$101,693 is recommended for the Department of Corrections. These funds will be used within the Institutional Based Rehabilitation program to address unpaid invoices for contractual obligations with two state vendors.

### **Department of Revenue**

Departmental General Revenue Balance: \$2,868,139

A total reappropriation of \$205,216 is recommended for the Department of Revenue. These funds will be used within the Division of Municipal Finance to reimburse the City of Providence for 60% of the contract for the 2022 statistical revaluation. The vendor for the City of Providence faced delays and has not yet invoiced the city.

### **Department of Public Safety**

Departmental General Revenue Balance: \$10,464,725

A total reappropriation of \$942,886 is recommended for the Department of Public Safety. These funds will be used to support the following items due to the chip shortage and supply chain delays for items ordered but not received in FY 2022: within the State Police program, \$672,365 for switches for the data store system project, \$113,376 for uniform rain gear, \$51,206 for a base radio station and portable radios, and \$35,098 for an unbilled technology service contract; within the Capitol Police program, \$54,460 for radios; within the Sheriffs program, \$16,381 for radio and radio accessories.

### **RI Commission for Human Rights**

Departmental General Revenue Balance: \$55,553

A total reappropriation of \$55,553 is recommended for the RI Commission for Human Rights. These funds will be used to support the procurement of a new case management system as the design and implementation phase of the project was delayed due to a longer than anticipated vendor approval process.

**Attorney General**

Departmental General Revenue Balance: \$1,249,766

A total reappropriation of \$222,887 is recommended for the Attorney General's Office. These funds will be used to support the ongoing information technology hardware refresh project. This infrastructure refresh project occurs every five to seven years for the Office of Attorney General to maintain its own IT environment due to the federal connection to the Criminal database. The project was delayed because the RFP had to be reissued and the enacted budget split the total cost between two fiscal years, despite the significant upfront cost.

**Lieutenant Governor**

Departmental General Revenue Balance: \$189,365

A total reappropriation of \$10,000 is recommended for the Lieutenant Governor's Office. These funds will be used to support professional development staff training which were delayed in FY 2022.

Your approval of the recommended appropriations is requested. If you have any questions concerning these recommendations, please feel free to contact me.

Approved for Reappropriation:



Daniel J. McKee, Governor  
Dated: August 19, 2022

cc: Dorothy Pascale, State Controller  
Hon. Marvin L. Abney, Chairman, House Finance Committee  
Hon. Ryan W. Pearson, Chairman, Senate Finance Committee  
Sharon Reynolds Ferland, House Fiscal Advisor  
Stephen Whitney, Senate Fiscal Advisor