



OFFICE OF MANAGEMENT & BUDGET

State Budget Office

One Capitol Hill
Providence, RI 02908-5890

Office: (401) 222-6300
Fax: (401) 222-6410

MEMORANDUM

To: The Honorable Daniel J. McKee, Governor
From: Joseph Codega Jr., Budget Officer *Joseph M. Codega Jr.*
Date: August 18, 2023
Subject: Reappropriations to FY 2024

This memorandum summarizes the recommended reappropriations from FY 2023 to FY 2024. 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 \$12,481,141 in reappropriations for the General Assembly and \$2,000,000 for the Judiciary, which are required by statute as shown above, and \$9,438,638 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 17, 2023, unexpended general revenue appropriations total \$87,652,446, although as noted above, further adjustments and payables may be processed by the State Controller that would change this balance. The reappropriations recommended herein will reduce the general fund ending balance by \$23,919,779, with the remaining balance of unexpended

appropriations either utilized for other non-discretionary general revenue reappropriations pursuant to Article 10, Section 1 of the FY 2024 Appropriations Act or lapsing to surplus.

Discretionary Reappropriations: The Budget Office recommends \$9,438,638 of discretionary reappropriations for the following departments and agencies for the purposes described below.

Department of Administration

Departmental General Revenue Balance: \$10,937,663

A total reappropriation of \$863,630 is recommended for the Department of Administration, consisting of (1) \$7,878 for the Rhode Island Health Benefits Exchange program due to the delayed delivery of new servers for the Unified Health Infrastructure Project (UHIP) and (2) \$855,752 in unexpended FY 2023 appropriations for wrongful conviction settlement awards, the adjudication and processing of which are still underway but that are anticipated to be disbursed in FY 2024.

Department of Business Regulation

Departmental General Revenue Balance: \$1,978,711

A total reappropriation of \$465,280 is recommended for the Department of Business Regulation, consisting of \$323,115 for new bomb squad equipment, including \$314,341 for a new response truck and \$8,774 for an X-Ray Controller. Though budgeted and ordered in FY 2023, supply chain issues have caused significant delivery and invoicing delays. Also included is \$142,165 in unspent FY 2023 appropriations for expenditures relating to the Department's "E-permitting" project.

Department of Labor and Training

Departmental General Revenue Balance: \$5,078,426

A total reappropriation of \$4,483,202 is recommended for the Department of Labor and Training, consisting of (1) \$106,998 for an outstanding death benefit payment under the Firefighter's Relief Fund; (2) \$328,138 for FY 2023 contractual obligations that will be expended in FY 2024 under the Work Immersion program; and (3) \$4,048,066 in unexpended FY 2023 appropriations for Skills for Rhode Island's Future ("Skills RI"). The FY 2023 enacted budget contained \$6.0 million for partnerships with Rhode Island healthcare systems to facilitate the outreach, recruitment, screening, placement, onboarding, supportive services, training curriculum assistance, and outcome reporting of medical personnel to address the heightened need for healthcare services in the state. This program will resume in FY 2024 utilizing reappropriated financing.

Rhode Island Ethics Commission

Departmental General Revenue Balance: \$116,049

A total reappropriation of \$21,664 is recommended for the Rhode Island Ethics commission for the continued implementation of a new case management system. Enacted FY 2023 financing totaling \$30,000 was not fully expended resulting from a delay in the project's start date.

Commission for Human Rights

Departmental General Revenue Balance: \$124,431

A total reappropriation of \$76,413 is recommended for the Commission for Human Rights for the final design and implementation costs of their new customized case management system. FY 2023 financing for the system was partially unspent due to an extended User Accepting Testing phase and the need to integrate the system with the federal government.

Department of Human Services

Departmental General Revenue Balance: \$16,921,392

A total reappropriation of \$385,492 is recommended for the Department Human Services, consisting of (1) \$29,412 for to the delayed delivery of new servers for the Unified Health Infrastructure Project (UHIP) and (2) \$356,080 in unexpended FY 2023 appropriations for critical healthcare workforce incentives addressing staffing shortages at the Rhode Island Veterans' Home, including Pathways Training, clothing allowances, and mentoring and recruitment bonuses. Expenditure of enacted FY 2023 financing totaling \$397,240 has been subject to labor negotiations.

Governor's Commission on Disabilities

Departmental General Revenue Balance: \$683,246

A total reappropriation of \$90,000 is recommended for the Governor's Commission on Disabilities for outreach grants to organizations serving underserved communities, due to a delay in the issuance of a related Request for Proposals (RFP).

Department of Attorney General

Departmental General Revenue Balance: \$1,719,648

A total reappropriation of \$398,210 is recommended for the Department of the Attorney General, consisting of \$310,310 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 remaining \$87,900 is for the completion of a space reconfiguration project budgeted in FY 2023 that has experienced delays in equipment and materials delivery.

Department of Corrections

Departmental General Revenue Balance: \$3,168,132

A total reappropriation of \$1,790,044 is recommended for the Department of Corrections, comprised of the following four components: (1) \$1,086,982 for the unexpended portion of a \$2.7 million appropriation for full-scale radio system replacements at the Adult Correctional Institution (ACI). Project completion and final invoicing is anticipated by the end of the first quarter of FY 2024; (2) \$51,222 for delayed disbursements of retroactive cost of living adjustments for certain employees; (3) \$13,000 for a delayed invoice for AWS storage used in conjunction with the Justice Reinvestment Initiative; and (4) \$638,840 in unexpended FY 2023 appropriations for critical healthcare workforce incentives addressing staffing shortages, including Pathways Training, equipment allowances, and mentoring and recruitment bonuses. Expenditure of enacted FY 2023 financing totaling \$665,340 has been delayed to FY 2024 as the Department continues to implement program and process planning for this initiative.

Department of Public Safety

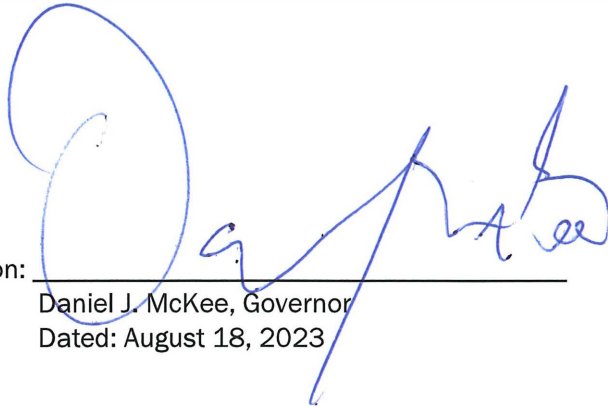
Departmental General Revenue Balance: \$8,451,391

A total reappropriation of \$864,703 is recommended for the Department of Public Safety. Of this total, \$506,236 is for supply chain-related delays of equipment acquisitions, including computers, vehicle lighting packages, munitions, and radio dispatch hardware. Similar supply chain delays are also witnessed within the Division of Sheriffs, necessitating a reappropriation of \$358,467 for the

Page 4
August 18, 2023

design and delivery of a new bus for transportation of prisoners, as well as software licenses and tactical equipment.

Approved for Reappropriation:



Daniel J. McKee, Governor
Dated: August 18, 2023

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