



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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

Memorandum

To: Department Directors and Agency Heads

From: Rosemary Booth Gallogly
Executive Director/State Budget Officer *R. B. Gallogly*

Date: April 7, 2008

Subject: FY2009 Enacted and Working Budget

The FY 2009 Supplemental Appropriations Act, as passed by the General Assembly, contains undistributed statewide savings within the Department of Administration. The Budget Office has allocated the statewide savings consistent with the legislative intent. The FY 2009 Working Budget field (entitled FY09 WORK), reflects the legislatively enacted budget less the allocation of \$8.3 million in statewide reductions. These include \$7.4 million in personnel and operating savings based on 5% of two month's of general revenue funding in these categories, and \$909,000 in contract services savings based on 10% of two month's of general revenue funding in this category. The FY 2009 Working Budget has allocated these savings to each agency as follows:

- Contract service natural accounts (63xxxx) have been reduced 10% of 1/6 of the revised appropriation (10% of two months funding).
- Operating savings of \$1.2 million have been determined based on 5% of 1/6 of the revised appropriation (5% of two months funding) and put in natural account 643799 as a negative amount.
- Personnel savings of \$6.2 million have been determined based on projected savings in medical insurance and the assessed fringe benefit assessment, which will not be charged for a portion of the year. The AFB natural (626100) has been reduced by 2/26 of the revised appropriation. Agencies will NOT be charged for the assessed fringe benefit assessment (natural 626100) for the last pay period in May (#24) and the first pay period in June (#25). These holidays are the result of current resources

Page 2
April 7, 2009

in the AFB fund plus projected collections, which together are projected to exceed expenditures for the balance of FY 2009.

The medical benefits natural (624110) has been reduced by the balance of the savings taken from personnel. Agencies will NOT be charged medical costs (natural 624110) for the first pay period in June (pay period 25). Agencies will continue to be charged for vision and dental benefits during this period. The amount of the statewide reduction is more than the projected savings from the medical benefits holiday, so there will need to be additional savings achieved by each agency in order to maintain a balanced budget. One medical benefits holiday is estimated to save \$3.04 million, whereas total savings taken from the medical natural totals \$4.13 million. (Note: employees who contribute a percent of premium co-pay will not be charged their co-pay for this pay period.)

The attached spreadsheet shows the reductions for each of these categories by agency and the resulting revised budget against which your quarterly projections should be made.

RBG:sm09-144

Enclosure

cc: Chief Financial Officers

| agency | description | FY 2009 Supplemental as Enacted | Contract Services | Operating Savings | Assessed Fringe Benefit | Medical Benefits | FY 2009 Revised Working Budget |
|--------|---|---------------------------------|-------------------|-------------------|-------------------------|------------------|--------------------------------|
| 068 | DEPARTMENT OF ADMINISTRATION | \$463,993,253 | (\$105,835) | (\$270,216) | (\$166,780) | (\$339,242) | \$463,111,180 |
| 071 | DEPARTMENT OF BUSINESS REGULATION | \$9,307,245 | (\$694) | (\$3,698) | (\$26,396) | (\$48,563) | \$9,227,894 |
| 073 | DEPARTMENT OF LABOR AND TRAINING | \$6,696,080 | (\$2,181) | (\$1,738) | (\$7,889) | (\$14,725) | \$6,669,547 |
| 080 | DEPARTMENT OF REVENUE | \$33,254,816 | (\$13,216) | (\$58,355) | (\$72,246) | (\$140,446) | \$32,970,553 |
| 011 | GENERAL ASSEMBLY - CONSTITUTION | \$33,451,335 | (\$9,873) | (\$18,548) | (\$81,077) | (\$157,076) | \$33,184,761 |
| 013 | OFFICE OF THE LIEUTENANT GOVERNOR | \$860,771 | \$0 | (\$287) | (\$2,569) | (\$4,588) | \$853,327 |
| 065 | DEPARTMENT OF STATE | \$6,407,527 | (\$3,870) | (\$14,912) | (\$12,504) | (\$23,038) | \$6,353,203 |
| 067 | TREASURY DEPARTMENT | \$2,465,934 | (\$760) | (\$4,254) | (\$5,820) | (\$10,572) | \$2,444,528 |
| 042 | BOARD OF ELECTIONS | \$1,552,690 | (\$3,327) | (\$1,859) | (\$3,020) | (\$6,294) | \$1,538,190 |
| 043 | RHODE ISLAND ETHICS COMMISSION | \$1,409,450 | (\$575) | (\$1,435) | (\$3,786) | (\$6,662) | \$1,396,992 |
| 012 | EXECUTIVE DEPARTMENT | \$4,698,679 | \$0 | (\$2,688) | (\$13,038) | (\$23,165) | \$4,659,788 |
| 046 | RHODE ISLAND COMMISSION FOR HUMAN RIGHTS | \$932,418 | (\$17) | (\$797) | (\$2,529) | (\$4,651) | \$924,424 |
| 024 | RHODE ISLAND COMMISSION ON WOMEN | \$108,377 | \$0 | (\$68) | (\$319) | (\$546) | \$107,444 |
| 028 | OFFICE OF HEALTH AND HUMAN SERVICES | \$3,836,576 | (\$2,167) | (\$301) | (\$11,252) | (\$20,397) | \$3,802,459 |
| 079 | DEPARTMENT OF CHILDREN, YOUTH, AND FAMILY | \$162,051,787 | (\$37,998) | (\$70,520) | (\$152,027) | (\$303,343) | \$161,487,899 |
| 078 | DEPARTMENT OF ELDERLY AFFAIRS | \$13,957,794 | (\$2,087) | (\$1,473) | (\$5,247) | (\$9,010) | \$13,939,977 |
| 075 | DEPARTMENT OF HEALTH | \$30,753,976 | (\$30,859) | (\$25,307) | (\$61,206) | (\$112,259) | \$30,524,345 |
| 069 | DEPARTMENT OF HUMAN SERVICES | \$651,883,148 | (\$243,386) | (\$53,642) | (\$94,786) | (\$198,182) | \$651,293,152 |
| 076 | DEPARTMENT OF MENTAL HEALTH, RETARDATION | \$182,926,530 | (\$11,506) | (\$66,059) | (\$122,606) | (\$277,999) | \$182,448,360 |
| 022 | GOVERNOR'S COMMISSION ON DISABILITIES | \$387,862 | (\$590) | (\$121) | (\$1,012) | (\$1,811) | \$384,328 |
| 023 | COMMISSION ON THE DEAF & HARD OF HEARING | \$371,300 | (\$1,092) | (\$91) | (\$860) | (\$1,640) | \$367,617 |
| 045 | OFFICE OF THE CHILD ADVOCATE | \$514,442 | (\$17) | (\$144) | (\$1,501) | (\$2,753) | \$510,027 |
| 047 | OFFICE OF THE MENTAL HEALTH ADVOCATE | \$440,483 | (\$42) | (\$96) | (\$1,302) | (\$2,371) | \$436,672 |
| 072 | ELEMENTARY AND SECONDARY EDUCATION | \$875,390,470 | (\$97,705) | (\$24,142) | (\$80,740) | (\$155,497) | \$875,032,386 |
| 085 | BOARD OF GOVERNORS FOR HIGHER EDUCATION | \$172,860,842 | (\$54,184) | (\$222,223) | (\$334,126) | (\$596,278) | \$171,654,031 |
| 026 | RHODE ISLAND COUNCIL ON THE ARTS | \$1,905,796 | \$0 | (\$546) | (\$1,803) | (\$3,301) | \$1,900,146 |
| 052 | RHODE ISLAND ATOMIC ENERGY COMMISSION | \$786,847 | (\$33) | (\$677) | (\$2,233) | (\$3,916) | \$779,988 |
| 054 | RHODE ISLAND HIGHER EDUCATION ASSISTANCE | \$7,292,984 | (\$150) | (\$1,422) | (\$1,532) | (\$2,690) | \$7,287,190 |
| 027 | HISTORICAL PRESERVATION AND HERITAGE COM | \$1,297,516 | (\$74) | (\$840) | (\$2,812) | (\$5,389) | \$1,288,401 |
| 053 | PUBLIC TELECOMMUNICATIONS AUTHORITY | \$1,249,509 | (\$217) | (\$1,357) | (\$3,111) | (\$5,979) | \$1,238,845 |
| 066 | DEPARTMENT OF ATTORNEY GENERAL | \$21,134,410 | (\$12,857) | (\$10,840) | (\$57,783) | (\$105,737) | \$20,947,193 |
| 077 | DEPARTMENT OF CORRECTIONS | \$178,682,061 | (\$201,790) | (\$145,692) | (\$336,163) | (\$808,354) | \$177,190,062 |
| 099 | JUDICIAL DEPARTMENT - CONSTITUTION | \$82,797,231 | (\$32,839) | (\$71,019) | (\$195,980) | (\$353,892) | \$82,143,501 |
| 014 | MILITARY STAFF | \$3,575,260 | (\$550) | (\$15,271) | (\$4,793) | (\$7,838) | \$3,546,808 |
| 081 | DEPARTMENT OF PUBLIC SAFETY | \$34,656,938 | (\$6,868) | (\$46,488) | (\$84,520) | (\$185,038) | \$34,334,024 |
| 049 | OFFICE OF PUBLIC DEFENDER | \$9,318,047 | (\$1,959) | (\$6,787) | (\$25,371) | (\$46,479) | \$9,237,451 |
| 074 | DEPARTMENT OF ENVIRONMENTAL MANAGEMENT | \$34,011,362 | (\$19,264) | (\$54,746) | (\$81,398) | (\$126,085) | \$33,729,869 |
| 050 | COASTAL RESOURCES MANAGEMENT COUNCIL | \$2,034,354 | (\$1,485) | (\$55) | (\$5,950) | (\$10,772) | \$2,016,092 |
| 051 | WATER RESOURCES BOARD | \$1,352,046 | (\$8,933) | (\$1,286) | (\$1,913) | (\$3,422) | \$1,336,492 |
| | | \$3,040,608,146 | (\$909,000) | (\$1,200,000) | (\$2,070,000) | (\$4,130,000) | \$3,032,299,146 |