

FINANCE ADVISORY COMMITTEE

AGENDA

January 9, 2014

Room 1E, Legislative Office Building - 1:00 P.M.

1. Minutes of the December 5, 2013 meeting.

2. New transactions as follows:

2014-04	Legislative Management	\$650,000.00
2014-05	Department of Administrative Services	Fee approval
2014-06	Department of Banking	\$40,000.00
2014-07	Department of Social Services	\$3,700,000.00
2014-08	Department of Children & Families	\$7,000,000.00

ALLOTMENT adjustment APPROPRIATION adjustment APPROPRIATION adjustment, requiring Finance Advisory Committee action

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2014-04	OLM10000	2014-02
AGENCY NO.	AGENCY NAME					
OLM10000	Legislative Management					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
2014	11000	OLM10000	10010	2014	\$650,000.00		Personal Services
2014	11000	OLM10000	10050	2014		\$650,000.00	Equipment

REASON FOR ADJUSTMENT

To transfer funds from Personal Services to Equipment to meet immediate equipment needs.

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations)	REQUESTING OFFICIAL (Signature)	(Title)	DATE SIGNED
CGA 4-87		Financial Administrator	12/19/13

ACTION

UNALLOTTED / AVAILABLE BALANCE	APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst)	DATE	APPROVED (Governor)
	12/22/13	
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE	DATE

* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

** USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

The Connecticut General Assembly

Joint Committee on Legislative Management

Donald E. Williams, Jr.
Senate President Pro Tempore

Martin M. Looney, *Senate Majority Leader*
John McKinney, *Senate Minority Leader*

James P. Tracy
Executive Director



J. Brendan Sharkey
Speaker of the House

Joe Aresimowicz, *House Majority Leader*
Lawrence F. Cafero, Jr., *House Republican Leader*

December 19, 2013

Linda Ecklund
Office of Policy and Management
450 Capitol Avenue
Hartford, Connecticut 06106-1308

RE: FAC Request for the January 9, 2014 Meeting

Dear Ms. Ecklund:

Legislative Management is requesting a transfer of \$650,000 from Personal Services to Equipment during the upcoming Finance Advisory Committee meeting on January 9, 2014. As noted in previous correspondence, our biennial budget submission included funding for equipment and minor capital improvements in both fiscal years. During the budget process, these funds were reduced from our general fund budget with the intention of including these initiatives in the bond package. However, the final biennial budget for FY '14 and FY '15 did not include any bond funding for Legislative Management. As a result, we only have a limited amount of equipment funds designated for specific purposes this fiscal year.

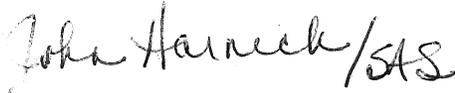
Legislative Management has done a complete analysis of our equipment needs for this fiscal year and identified the following items with their anticipated delivery timeframes. Based on these dates, we are looking for this transfer to happen as soon as possible, so that we can competitively bid and purchase the equipment in a timely manner.

<u>Equipment</u>	<u>Cost</u>	<u>Target Date</u>
Network	\$180,000	January, 2014
Aruba Controllers	\$ 45,000	January, 2014
Servers	\$ 55,000	February, 2014
Kitchen Equipment	\$ 40,000	February, 2014
SAN Switches	\$ 60,000	March, 2014
XIV Storage Expansion	\$180,000	April, 2014
Phone Switch	<u>\$ 90,000</u>	May, 2014
	<u>\$650,000</u>	

Legislative Management's original budget request was reduced by \$4,444,560 for the deficit mitigation plan for FY `14. Additionally, we have provided the majority of the Allocated Lapse, the Statewide Hiring Reduction, and the General Other Expenses Reduction for the Legislative Branch. We do not anticipate this transfer to impact our agency's ability to meet our portion of the \$3,028,105 Unallocated Lapse for FY `14.

Thank you for your assistance with this request. Please let me know if you have any questions regarding any of the above.

Sincerely,



John Harnick
Financial Administrator

C: Senator Donald E. Williams, Jr., Senate President Pro Tempore
Representative J. Brendan Sharkey, Speaker of the House
Representative Joe Aresimowicz, House Majority Leader
Representative Lawrence F. Cafero, Jr. House Republican Leader
Senator Martin M. Looney, Senate Majority Leader
Senator John McKinney, Senate Minority Leader
Alan Calandro, Director, Office of Fiscal Analysis
James P. Tracy, Executive Director

FAC 2014-05

The Department of Administrative Services, Bureau of Enterprise Technology respectfully requests that the Finance Advisory Committee approve, pursuant to CGA 4-60u as amended by PA 13-225, fees for provision of DMV data to for-profit businesses.

The proposed fee structure is:

- A \$3.00 administrative fee per transaction, and
- An annual \$100 subscription fee.

These fees would apply to for-profit businesses obtaining driver history records from the Department of Motor Vehicles (DMV) through a new state web portal. The vendor will establish an application to provide driving records electronically to companies that purchase this data, provide billing and collection services on behalf of DMV, and market the DMV data to new and potential companies.

The DMV currently charges the \$15.00 minimum statutory fee for these driver history records as authorized by CGS 14-50a(b), and processes approximately 1.5 million records each year. The \$3.00 administrative fee would be added to the for-profit business' \$15.00 charge to obtain these records, if the business sought to obtain the records online through the portal. The fee for individuals accessing their records would not change.

Background

Public Act 12-2 of the June special session included a provision allowing the Secretary of Office of Policy and Management to "authorize any state agency to enter into agreements with private and nonprofit entities to facilitate the public's utilization of government services and programs electronically." The purpose of this authorization is to utilize self-funding models to improve government programs and services through information technology advancements. Under this authority, OPM authorized the Department of Administrative Services to enter into a competitive bidding process for a vendor to provide eGovernment services for the executive branch.

Under the self-funded model, which is used by more than 25 states to fund their eGovernment programs, the vendor derives revenue through the collection of administrative fees assessed on certain high-volume transactions conducted on the state's web portal that are aimed primarily at business users who are willing to pay a small additional fee for expedited and enhanced online customer service.

Approval of the fees requested in this FAC transaction is necessary so that the vendor can begin work on a new portal infrastructure to benefit the citizens and businesses of Connecticut. This proposal contributes to the state's economic development initiatives of retaining existing businesses in the state and attracting new job creators to Connecticut by building a new multi-agency business portal to assist businesses in complying with government requirements, growing their businesses, and informing new businesses about opening in Connecticut and registering electronically with the state.

PAGE _____ OF _____
DOCUMENT NUMBER
DOB1401

ALLOTMENT adjustment APPROPRIATION adjustment APPROPRIATION adjustment, requiring Finance Advisory Committee action

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER		AGENCY ACRONYM		REQUEST NUMBER	
				2014-06		DOBM1		2014-01	
AGENCY NO.		AGENCY NAME							
DOB37000		Department of Banking							

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
14	12003	DOB37000	10020	2014	\$40,000.00		Other Expenses
14	12003	DOB37000	10050	2014		\$40,000.00	Equipment

REASON FOR ADJUSTMENT
Need to transfer Funds to complete refresh cycle of DOB computers due to the discontinuation of support for the present PC operating system on April 8, 2014.

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations) 36a-13	REQUESTING OFFICIAL (Signature) <i>[Signature]</i>	(Title) Commissioner	DATE SIGNED <i>12/18/13</i>
ACTION			
UNALLOTTED / AVAILABLE BALANCE		APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst) <i>Melissa Reich PM</i>	DATE <i>12/18/13</i>	APPROVED (Governor)	DATE
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND
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DOCUMENT NUMBER
DSS14051

ALLOTMENT adjustment APPROPRIATION adjustment APPROPRIATION adjustment, requiring Finance Advisory Committee action

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2014-01	DSS	2014-051
AGENCY NO.	AGENCY NAME					
DSS60000	DEPARTMENT OF SOCIAL SERVICES					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE *	ACCOUNT TITLE/PROJECT NUMBER
					<u>ALLOTTED</u>	<u>ALLOTMENT</u>	
2014	11000	DSS60000	16020	2014	\$3,700,000.00		Medicaid
2014	11000	DSS60000	12494	2014		\$3,700,000.00	Charter Oak Health Plan
					\$3,700,000.00	\$3,700,000.00	

REASON FOR ADJUSTMENT
Funds are being transferred to meet anticipated needs in Charter Oak.

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations) CGS-4-87(a)	REQUESTING OFFICIAL (Signature) <i>[Signature]</i>	(Title) Asst. Director of Financial Services	DATE SIGNED 12/20/2013
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UNALLOTTED / AVAILABLE BALANCE		APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst) <i>[Signature]</i>	DATE 12-23-13	APPROVED (Governor)	DATE
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

SFY 2014 January 2014 FAC

**12494 Charter Oak Health Plan
16020 Medicaid**

**\$3,700,000
(\$3,700,000)**

Funds in the amount of \$3.7 million are being transferred from the Medicaid account to the Charter Oak Health Plan. Under the budget passed for SFY 2014, \$4.28 million is appropriated for the Charter Oak Health Plan. The Charter Oak Health Plan is due to sunset as of December 31, 2013. The current projected cost for the year is \$7.98 million, exceeding the appropriation by approximately \$3.7 million. These funds are needed to cover claims run-out and premium refunds that occur after January 1, 2014.

ALLOTMENT adjustment APPROPRIATION adjustment APPROPRIATION adjustment, requiring Finance Advisory Committee action

DOCUMENT NUMBER
DCF25

COMPT. USE ONLY		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
EFFECTIVE DATE		2014-08	DCF	2014-1

AGENCY NO.	AGENCY NAME
DCF91000	Department Of Children And Families

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
					<u>Unencumbered Balance</u>	<u>Allotment</u>	
2014	11000	DCF91000	16135	2014	\$7,000,000.00		Board & Care For Children - Residential
2014	11000	DCF91000	10020	2014		\$3,000,000.00	Other Expenses
2014	11000	DCF91000	16132	2014		\$1,500,000.00	Board & Care For Children - Adoption
2014	11000	DCF91000	16135	2014		\$2,500,000.00	Board & Care For Children - Foster Care

REASON FOR ADJUSTMENT

The Department of Children and Families requests approval to transfer funds anticipated to lapse in the Department's Board & Care For Children - Residential account. The lapse in Board & Care For Children - Residential is due to a reduction in residential placements. The Department is requesting these lapsing funds be transferred to Other Expenses, in the amount of \$3,000,000, due to increased security costs at Solnit South, the conversion of a building to house Juvenile Justice Girls at the Connecticut Juvenile Training School and to pay the Department's portion of increased statewide software costs. The Department also requests the transfer of funds in the amount of \$1,500,000 into the Board & Care For Children - Adoption account and \$2,500,000 into the Board & Care For Children - Foster Care account. Both of these accounts are seeing increases in placements due to the Department's efforts to reduce congregate care, resulting in the savings in the Board and Care For Children - Residential account, and increase placements into family settings.

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations)	REQUESTING OFFICIAL (Signature)	(Title)	DATE SIGNED
4-87 (a) CGS	<i>Candy Murphy</i>	Chief Fiscal Officer	12/17/13

ACTION

UNALLOTTED / AVAILABLE BALANCE		APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst)	DATE	APPROVED (Governor)	DATE
<i>J. Saulsby</i>	12/30/13		
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

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Account	Original Appropriation	Prior Policy Actions	Proposed FAC Transfers		Available Funding Post-FAC Action
			FROM (Decrease)	TO (Increase)	
Board & Care for Children - Residential	141,375,200		(7,000,000)		134,375,200
Other Expenses	34,455,292			3,000,000	37,455,292
Board & Care for Children - Adoption	91,065,504			1,500,000	92,565,504
Board & Care for Children - Foster Care	113,318,397			2,500,000	115,818,397
		Total	(7,000,000)	7,000,000	