MINUTES OF THE MEETING
OF THE FINANCE ADVISORY COMMITTEE

Held in Room 1E at the Legislative Office Building, on May 1, 2014.

PRESENT: Lieutenant Governor Nancy Wyman
Deputy Comptroller Martha Carlson
Senator Beth Bye
Representative Mae Flexer
Senator Robert Kane
Deputy Secretary Karen Buffkin
Office of Policy and Management, Finance Advisory Committee Clerk

Lieutenant Governor Wyman called the meeting to order at 4:04 p.m.

The minutes of the March 6, 2014 meeting were adopted.

The following new transactions were considered by the committee:

FAC 2014-12 – Commission on Children. Request to transfer $7,000 from Personal Services to Other Expenses to cover the costs of various initiatives.

This item was approved.

FAC 2014-13 – Department of Banking. Request to transfer $350,000 from Personal Services to the Fringe Benefit account to cover actual costs.

Senator Kane asked about the definition of "actual costs" for fringe benefits. Deputy Secretary Buffkin responded that the budget assumed a 70% rate but the actual rate is 77%. Senator Kane asked why the budget did not include the correct rate. Deputy Comptroller Carlson responded that the budget is developed before the final fringe rate is calculated.

This item was approved.

FAC 2014-14 – Office of Consumer Counsel. Request to transfer $80,000 from Personal Services to the Other Expenses and Indirect Overhead accounts to facilitate IT related upgrades and to cover actual indirect recoveries.

This item was approved.

FAC 2014-15 – Department of Housing. Request to transfer $46,000 from the Personal Services account to the Other Expenses account to cover program-related costs and various operational expenses.

This item was approved.

FAC 2014-16 – Department of Developmental Services. Request to transfer $8,582,155 from the Personal Services account to various other accounts to meet year end requirements.

Senator Bye stated that she has had many questions from families regarding assistance for families in need and asked if the transfer of funds to Family Support Grants and Community Residential Services would help support family members' needs. Deputy Secretary Buffkin responded affirmatively and

stated that Family Support Grants will allow for additional family members to receive temporary support.

This item was approved.

FAC 2014-17 – Department of Mental Health and Addiction Services. Request to transfer $4,300,000 from the TBI Community Services, Home & Community Based and Behavioral Health Medication accounts to the Workers' Compensation Claims, Professional Services and Other Expenses accounts, to cover year end requirements.

Senator Kane asked whether the lapse associated with the TBI Community Services account, due to savings achieved in placing several clients on the ABI waiver, was related to ABI Waiver I or ABI Waiver II. Commissioner Rehmer responded that the savings were associated with the current waiver. Senator Kane asked whether people on the waiting list were being served, or whether others were being served, bypassing the waiting list. Commissioner Rehmer responded that people on the waiting list were being served.

This item was approved.

FAC 2014-18 – Department of Social Services. Request to transfer $16,950,000 to meet year end expenditure requirements and an adjustment to the agency's authorized position count.

Senator Kane asked about enrollment growth in the State Administered General Assistance (SAGA) program. Mike Gilbert, DSS Chief Fiscal Officer, responded that the growth may be due to the Medicaid expansion under the Affordable Care Act. As low-income adults are enrolling in Medicaid, they are also being found eligible for cash assistance under the SAGA program.

This item was approved.

FAC 2014-19 – Department of Education. Request to transfer $9,690,600 from several accounts to the Magnet Schools and Excess Cost – Student Based accounts to cover projected shortfalls.

Senator Kane asked about the availability of funds from the Open Choice account. Commissioner Pryor and SDE CFO Kathy Demsey explained that the available funds are a result of not being able to fill as many seats as were anticipated in the budget. They also confirmed that the Open Choice amount for FY 2015 was adjusted accordingly.

This item was approved.

The meeting was adjourned at 4:16 p.m.

Respectfully submitted,

Karen Buffkin
Clerk