

Representative Jerome Zeringue
Chairman



Representative Francis Thompson
Vice Chairman

Fiscal Year 2023 Executive Budget Review Ancillary Appropriations

House Committee on Appropriations
House Fiscal Division

April 4, 2022

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All data and figures were obtained from the governor's Fiscal Year 2022-2023 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2022 Regular Session, unless otherwise noted.

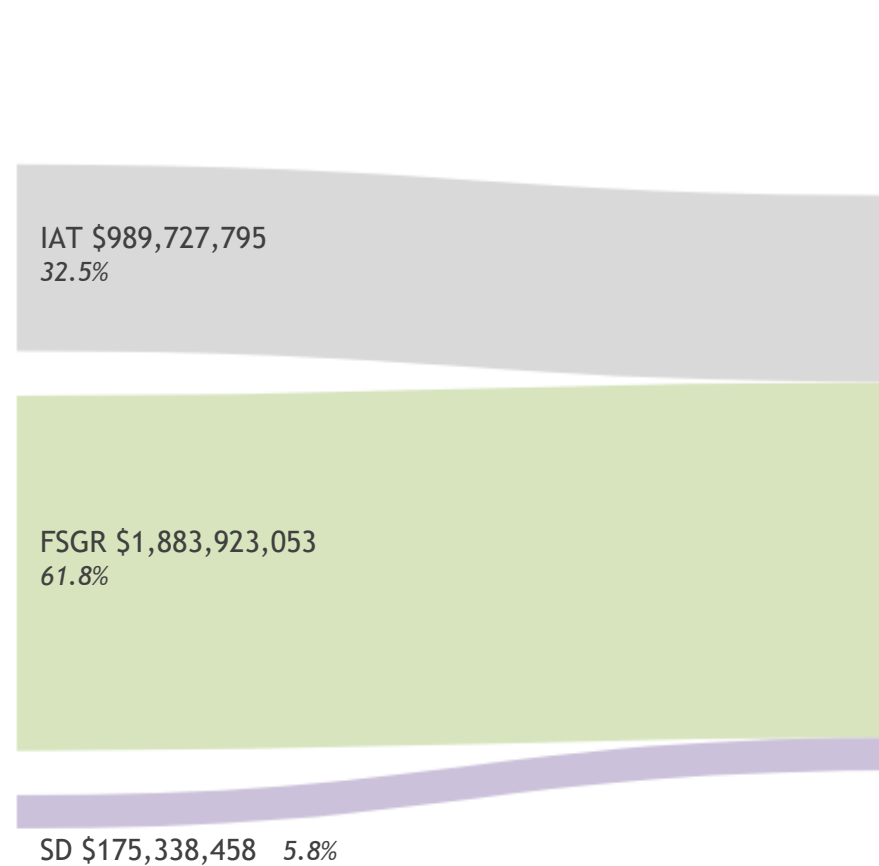
<https://www.doa.la.gov/doa/opb/budget-documents/>

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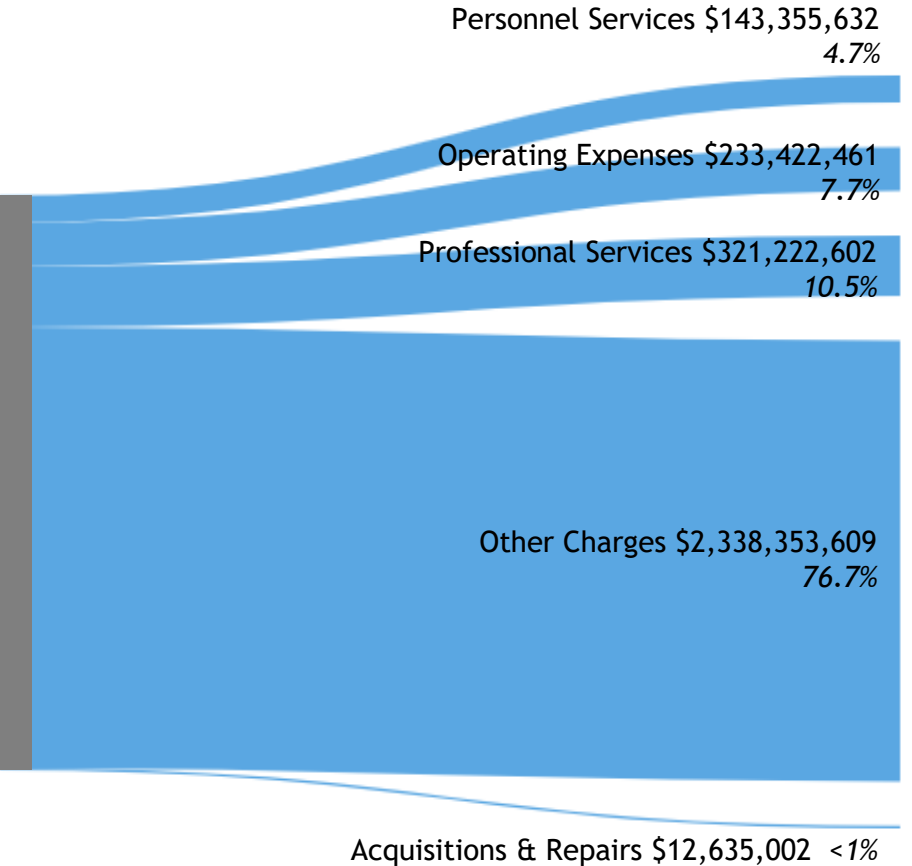
BUDGET RECOMMENDATION FY 23

Total Recommended = \$3,048,989,306

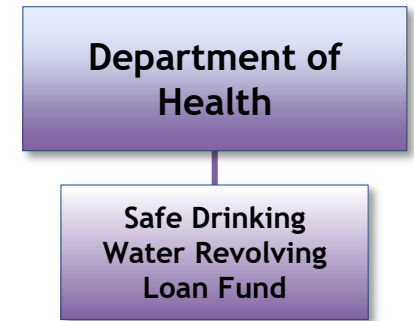
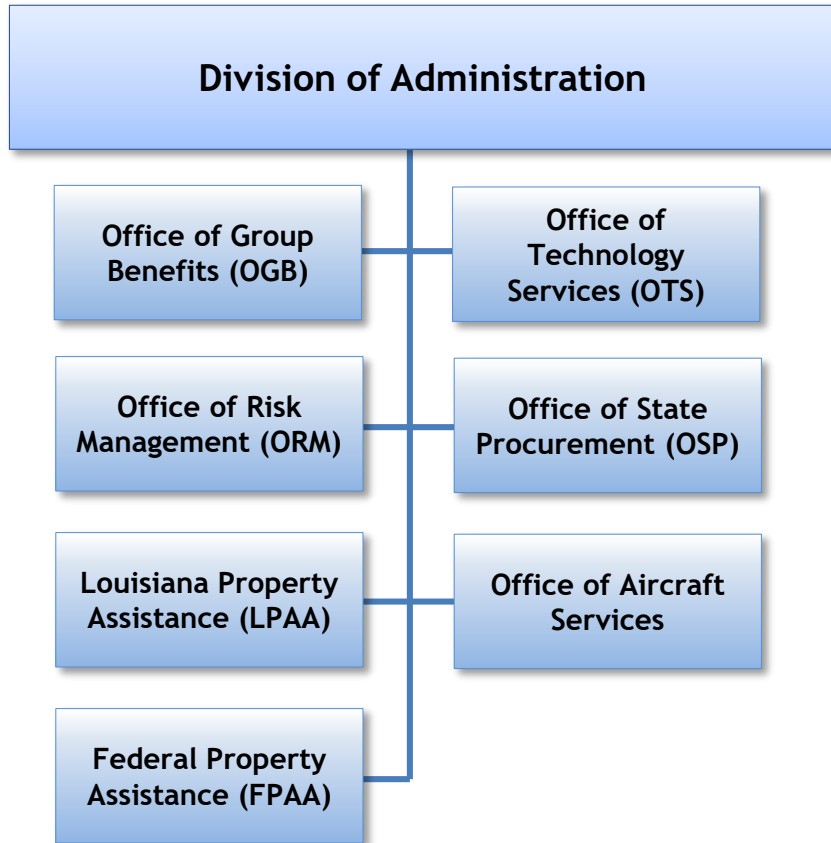
Means of Financing



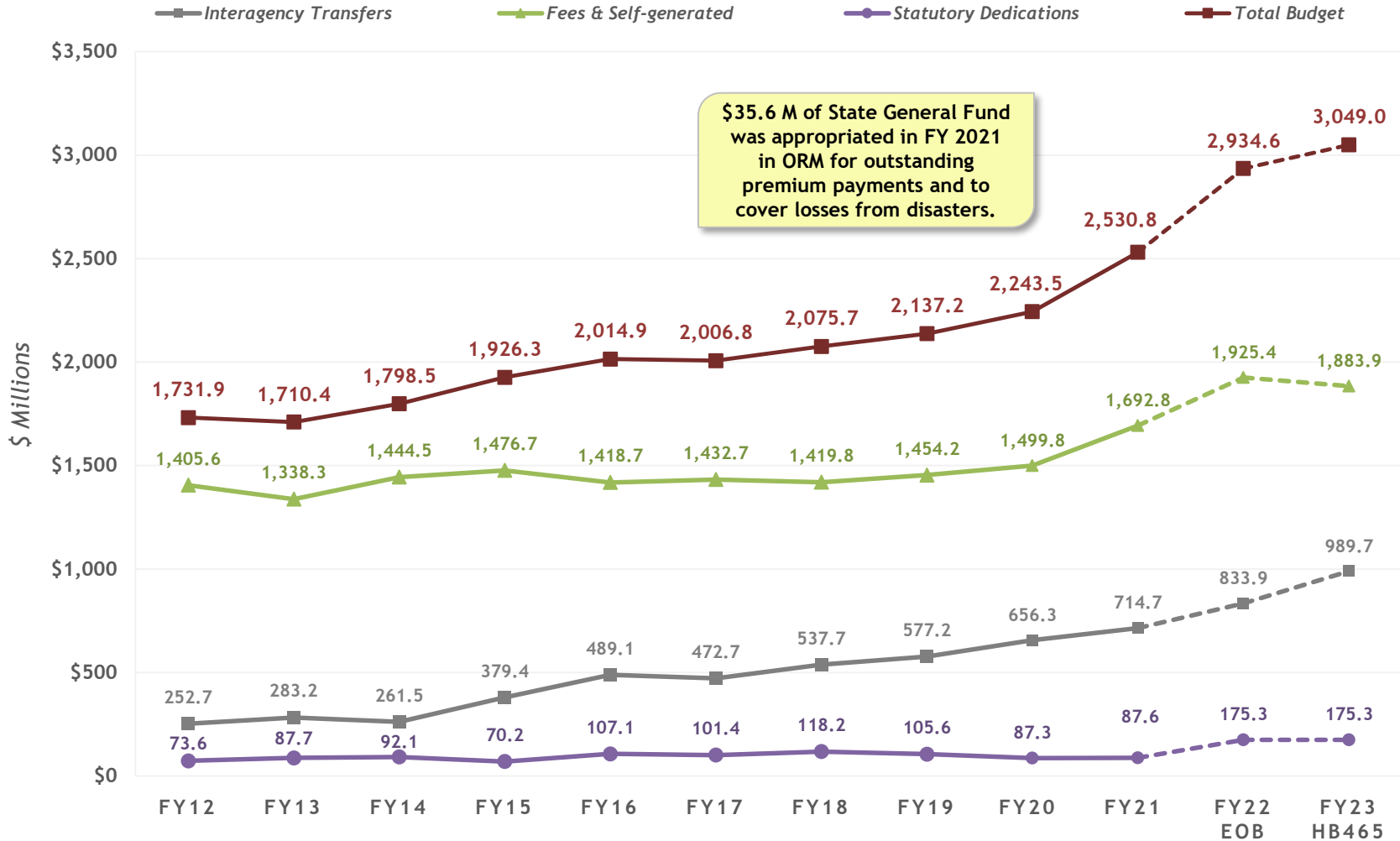
Expenditure Categories



DEPARTMENT ORGANIZATION



HISTORICAL SPENDING



10 Year Spending Change

Total 4.3%

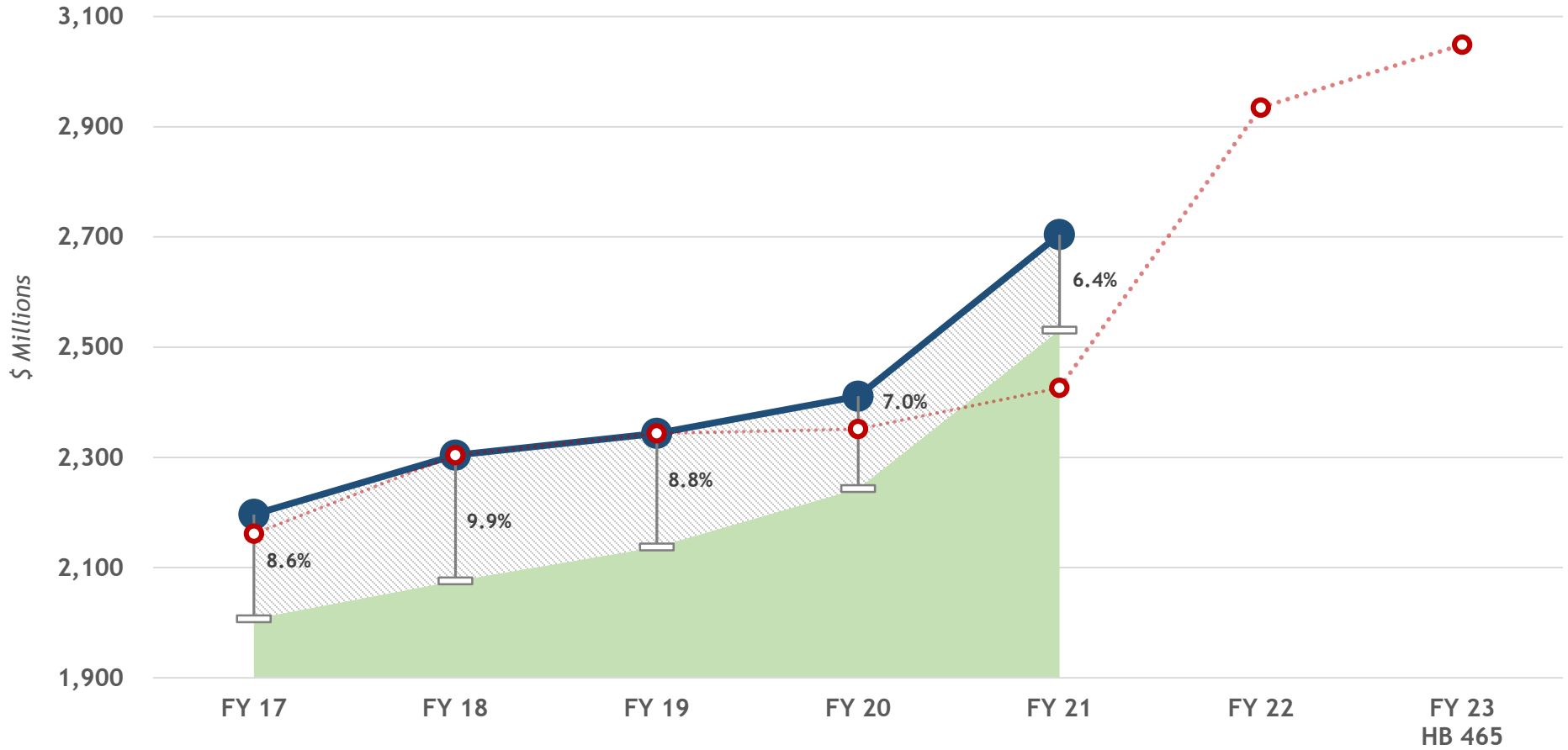
FSGR 2.1%

IAT 12.3%

SD 2.0%

HISTORICAL BUDGET

Actual Spending Final Budget Beginning Budget



FY 23
HB 465

PRIOR YEAR ACTUALS FY 21

Means of Finance	Final Budget <i>(w/o FY22 carryfwr)</i>	Amount Spent	Unspent Authority	Unspent Authority %	Unspent % by MOF
General Fund	\$ 35,624,706	\$ 35,624,706	\$ 0	0.0%	0.0%
Interagency Transfers	743,252,209	714,699,231	28,552,978	3.8%	16.5%
Self-generated	1,765,299,269	1,692,833,231	72,466,038	4.1%	41.8%
Statutory Dedications	159,988,458	87,613,218	72,375,240	45.2%	41.7%
Federal	0	0	0	0.0%	0.0%
FY21 Total	\$ 2,704,164,642	\$ 2,530,770,386	\$ 173,394,256	6.4%	100.0%

<i>Historical Total Unspent Budget Authority</i>	Final Budget	Amount Spent	Unspent Authority	Unspent %	
	FY20 Total	\$ 2,411,176,909	\$ 2,243,450,894	\$ 167,726,015	7.0%
	FY19 Total	2,343,582,618	2,137,155,805	206,426,813	8.8%
	FY18 Total	2,303,949,317	2,075,675,984	228,273,333	9.9%
	3 Year Avg.	\$ 2,352,902,948	\$ 2,152,094,228	\$ 200,808,720	8.5%

PRIOR YEAR ACTUALS FY 21

Were projected revenues collected?

	Final Budget <i>(w/o FY22 carryfwd)</i>	Revenue Collections	Difference
SGF	\$ 35,624,706	\$ 35,624,706	\$ 0
IAT	743,252,209	714,159,082	(29,093,127)
FSGR	1,765,299,269	1,750,653,344	(14,645,925)
SD	159,988,458	101,249,340	(58,739,118)
FED	0	0	0
Total	\$ 2,704,164,642	\$ 2,601,686,472	\$ (102,478,170)

The Ancillary agencies collected a net \$102 M less than the FY 21 budget. This is primarily due to the revolving loan funds collecting \$58.7 M less in loan repayments than they were budgeted to spend. OTS also collected \$14.4 M less in interagency transfers than projected, and ORM undercollected projected billings by \$12.9 M.

Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 35,624,706	\$ 35,624,706	\$ 0
IAT	714,159,082	714,699,231	540,149
FSGR	1,750,653,344	1,692,833,231	(57,820,113)
SD	101,249,340	87,613,218	(13,636,122)
FED	0	0	0
Total	\$ 2,601,686,472	\$ 2,530,770,386	\$ (70,916,086)

The Ancillary agencies collected \$71 M more than was spent. The major drivers of this are insurance recoveries in ORM leading to collections of \$35 M over expenditures, base collections of \$10.6 M over claims spending in ORM, compounded by shifting levels of claims compared to loan repayments in the revolving loan funds.

FY 22 BEGINNING FUND BALANCES

Section 8 of the Ancillary Appropriations Bill's preamble gives many Ancillary agencies the authority to carry over their funds into the next fiscal year.

Agency	Interagency Transfers	Fees & Self-generated Revenue	Statutory Dedications	Total
Office of Group Benefits	\$419,979	\$388,220,482	\$0	\$388,640,460
Office of Risk Management	\$24,337,405	\$55,663,658	\$2,668,422	\$82,669,485
Louisiana Property Assistance	\$0	\$4,370,818	\$0	\$4,370,818
Federal Property Assistance	\$1,523,437	\$1,292,910	\$0	\$2,816,347
Prison Enterprises	\$1,287,252	\$0	\$0	\$1,287,252
Office of Technology Services	\$36,142,757	\$145,772	\$0	\$36,288,529
Division of Administrative Law	\$1,043,879	\$0	\$0	\$1,043,879
Office of State Procurement	\$1,066,957	\$3,278,223	\$0	\$4,345,179
Office of Aircraft Services	\$436,200	\$0	\$0	\$436,200
Environmental State Revolving Loan Funds	\$0	\$0	\$216,393,104	\$216,393,104
Drinking Water Revolving Loan Fund	\$0	\$0	\$168,145,406	\$168,145,406
ANCILLARY TOTAL	\$66,257,865	\$452,971,862	\$387,206,932	\$906,436,659

EXISTING OPERATING BUDGET FY 22

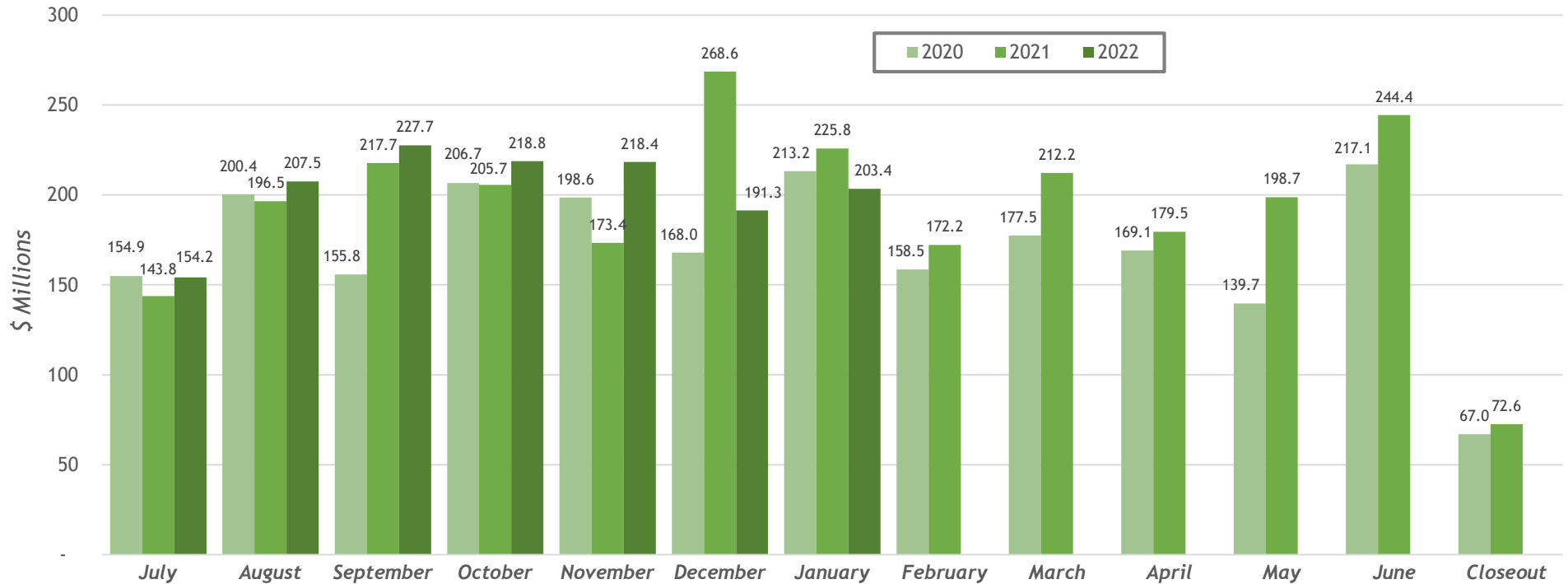
The FY 2021-22 Existing Operating Budget (EOB) was frozen on December 1, 2021. This point-in-time reference is used in both the Executive Budget and the Ancillary Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 0	\$ 0	\$ 0
Interagency Transfers	833,878,826	0	833,878,826
Self-generated Revenue	1,925,393,188	0	1,925,393,188
Statutory Dedications	175,338,458	0	175,338,458
Federal	0	0	0
Total	\$ 2,934,610,472	\$ 0	\$ 2,934,610,472

Budget Adjustments From Appropriation to EOB

July	August	September	October	November
No change	No change	No change	No change	No change

MONTHLY SPENDING TREND



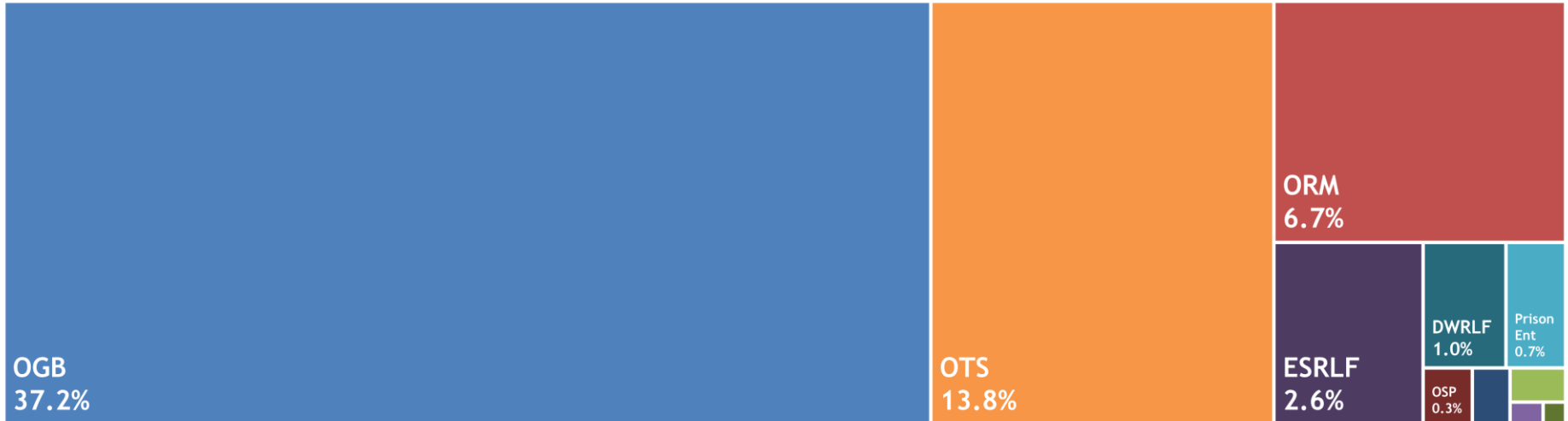
FYTD 2020	154,930,836	355,316,380	511,135,629	717,795,603	916,425,799	1,084,404,471	1,297,625,710	1,456,155,357	1,633,695,988	1,802,808,900	1,942,482,764	2,159,548,009	2,226,566,486
FYTD 2021	143,789,848	340,278,087	558,018,417	763,680,865	937,055,130	1,205,652,210	1,431,474,798	1,603,711,330	1,815,892,256	1,995,415,346	2,194,162,348	2,438,577,580	2,511,160,635
\$ Change PY	(11,140,988)	(15,038,293)	46,882,788	45,885,263	20,629,331	121,247,739	133,849,089	147,555,973	182,196,267	192,606,446	251,679,584	279,029,571	284,594,148
% Change PY	(7.2%)	(4.2%)	9.2%	6.4%	2.3%	11.2%	10.3%	10.1%	11.2%	10.7%	13.0%	12.9%	12.8%
FYTD 2022	154,249,398	361,775,549	589,433,480	808,219,286	1,026,637,654	1,217,974,728	1,421,409,259						
\$ Change PY	10,459,550	21,497,462	31,415,064	44,538,421	89,582,524	12,322,519	(10,065,539)						
% Change PY	7.3%	6.3%	5.6%	5.8%	9.6%	1.0%	(0.7%)						

FUNDING RECOMMENDATION FY 23

Total Funding = \$3,048,989,306

Program Funding & Authorized Positions		
	<i>Amount</i>	<i>Positions</i>
Group Benefits	\$ 1,809,705,404	56
Risk Management	324,218,483	41
La Property Assistance	8,692,368	37
Federal Property Assistance	3,441,308	9
Prison Enterprises	34,484,007	72
Technology Services	670,082,509	828

Program Funding & Authorized Positions		
	<i>Amount</i>	<i>Positions</i>
Administrative Law	\$ 9,829,286	58
State Procurement	12,873,418	99
Aircraft Services	2,324,065	4
Env. State Rev Loan Funds	125,350,000	0
Drinking Water Rev Loan Fund	47,988,458	0
Total	\$ 3,048,989,306	1,204



SOURCES OF FUNDING

Interagency Transfers

\$989.7 M

- Payments from various state agencies that utilize services in a given area (i.e. technology services, procurement services)
- Premiums billed for insurance to state agencies
- Sale of state surplus property to other agencies
- Funds from LDH to OGB for billing services for the LaCHIP program
- Funds from agencies who utilize flight services

Self-generated Revenue

\$1.88 B

- Payment of health and life insurance premiums by participating employees and their employing agencies
- Payments from various quasi-state agencies that utilize services in a given area (i.e. technology services, procurement services)
- Sale of state surplus property at public auctions
- Premiums billed for insurance to quasi-state agencies
- Payments for aircraft maintenance services

Statutory Dedications

\$175.3 M

- **\$125 M** - Clean Water State Revolving Fund receives federal grant funds and utilizes interest payments paid back into the fund from eligible borrowers to supplement the fund's balance
- **\$48 M** - Drinking Water Revolving Loan Fund receives a combination of federal grant funds with state match when made available, and utilizes interest payments paid back into the fund from local governments to supplement the fund's balance
- **\$2 M** - Future Medical Care Fund gets funds from the Self Insurance Fund on an as-needed basis
- **\$350,000** - Brownfields Cleanup Revolving Loan Fund receives federal grant funds and utilizes interest payments paid back into the fund from eligible borrowers to supplement the fund's balance

FUNDING COMPARISON

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 35,624,706	\$ 0	\$ 0	\$ 0	0.0%	\$ (35,624,706)	(100.0%)
IAT	714,699,231	833,878,826	989,727,795	155,848,969	18.7%	275,028,564	38.5%
FSGR	1,692,833,231	1,925,393,188	1,883,923,053	(41,470,135)	(2.2%)	191,089,822	11.3%
Stat Ded	87,613,218	175,338,458	175,338,458	0	0.0%	87,725,240	100.1%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 2,530,770,386	\$ 2,934,610,472	\$ 3,048,989,306	\$ 114,378,834	3.9%	\$ 518,218,920	20.5%

Significant funding changes compared to the FY 22 Existing Operating Budget

Interagency Transfers

\$155.8 M net increase primarily driven by:

- \$163.5 M increase in IT projects, services, and acquisitions in OTS
- **(\$34.6 M)** reduction of one time expenditure needs in FY 22
- \$26.1 M increase in premium collections in ORM
- **(\$16.4 M)** reduction associated with one-time costs for the Louisiana Correctional Institute for Women in ORM

Fees & Self-generated

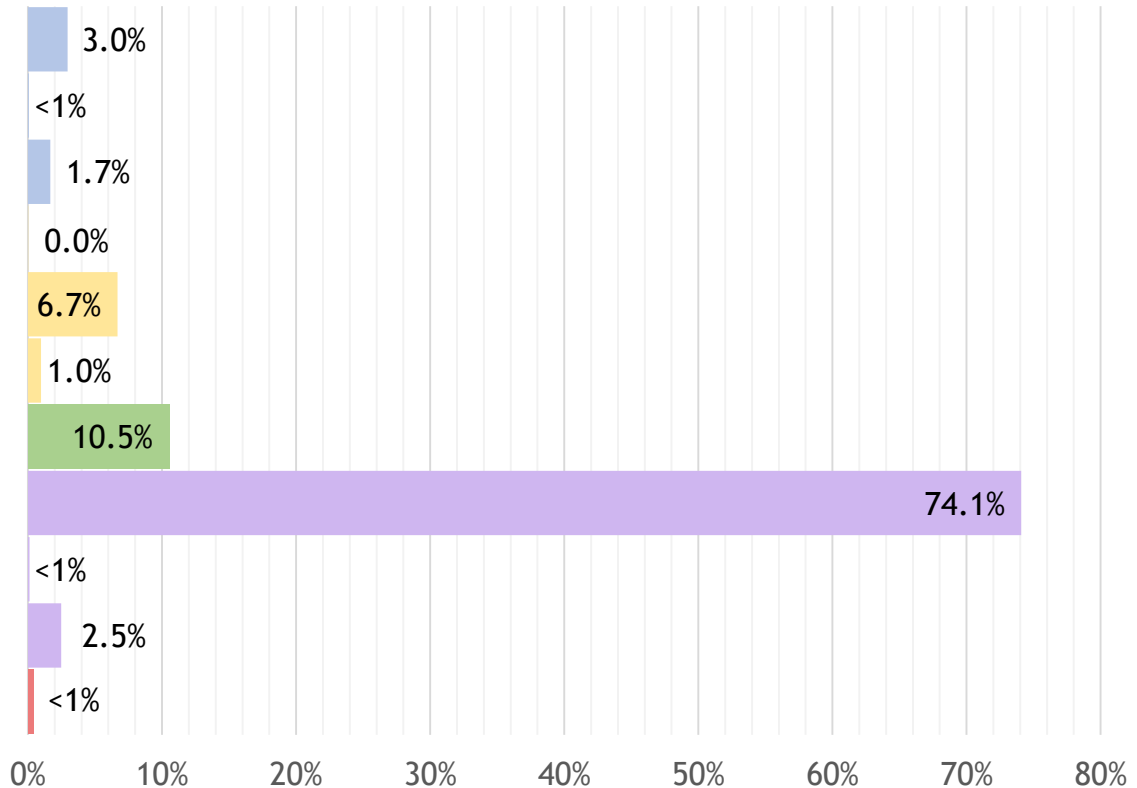
(\$41.5 M) net decrease primarily driven by:

- **(\$45.0 M)** reduction of Hurricane Laura recovery expenses in ORM
- \$1 M increase in projected premium collections in ORM
- \$572,213 increase in projected premium collections in OGB
- \$500,000 in increased collections from the sale of movable property in LPAA

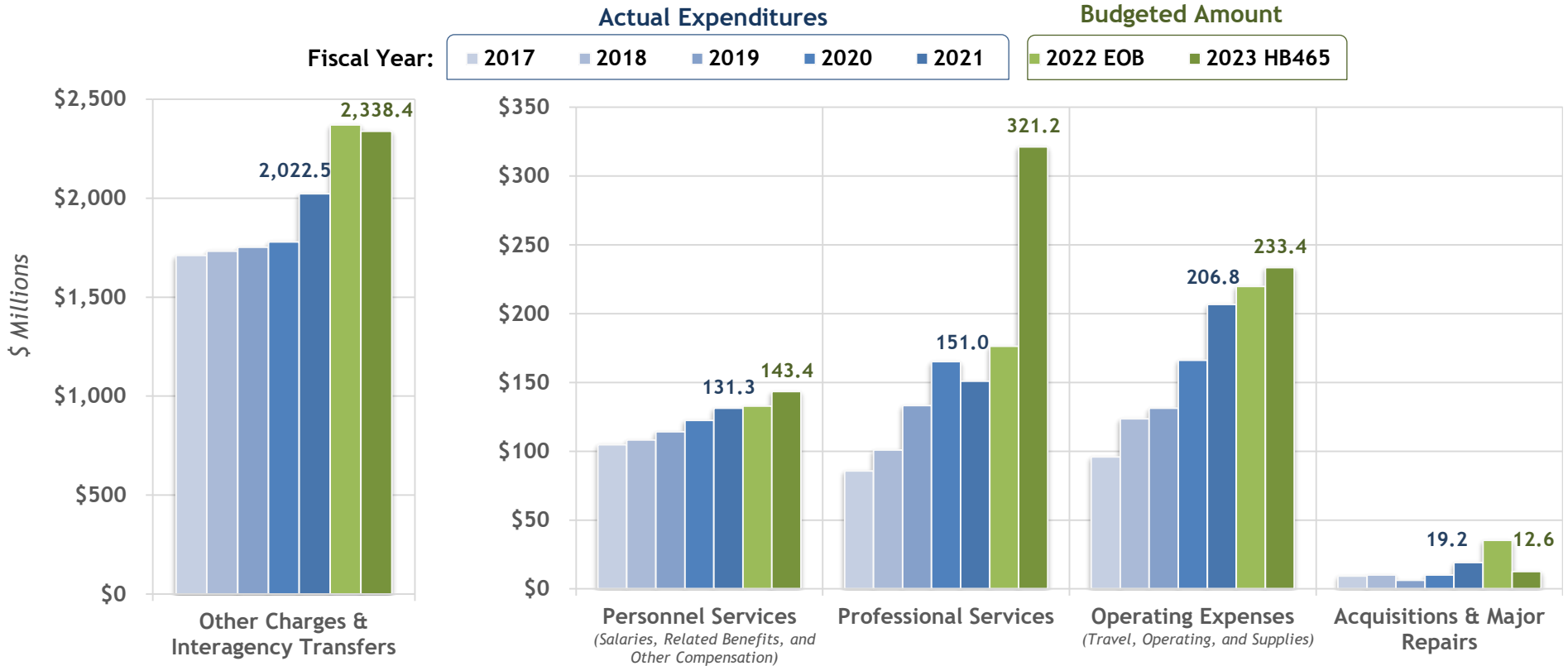
EXPENDITURE RECOMMENDATION FY 23

Total Budget = \$3,048,989,306

Expenditure Category	
Salaries	\$ 90,281,348
Other Compensation	1,872,822
Related Benefits	51,201,462
Travel	491,072
Operating Services	203,451,248
Supplies	29,480,141
Professional Services	321,222,602
Other Charges	2,258,904,131
Debt Service	3,500,000
Interagency Transfers	75,949,478
Acquisitions/Repairs	12,635,002
Total	\$ 3,048,989,306



EXPENDITURE HISTORY



5 Year Average Spending per Expenditure Category

\$1.80 B : 81.8%	\$116.2 M : 5.3%	\$127.2 M : 5.8%	\$144.7 M : 6.6%	\$11.0 M : <1%
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EXPENDITURE COMPARISON

Expenditure Category	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
Salaries	\$ 83,373,060	\$ 83,987,061	\$ 90,281,348	\$ 6,294,287	7.5%	\$ 6,908,288	8.3%
Other Compensation	2,434,171	1,872,822	1,872,822	0	0.0%	(561,349)	(23.1%)
Related Benefits	45,510,597	46,891,483	51,201,462	4,309,979	9.2%	5,690,865	12.5%
Travel	209,839	491,072	491,072	0	0.0%	281,233	134.0%
Operating Services	172,236,674	189,897,600	203,451,248	13,553,648	7.1%	31,214,574	18.1%
Supplies	34,343,800	29,480,141	29,480,141	0	0.0%	(4,863,659)	(14.2%)
Professional Services	150,968,305	176,256,179	321,222,602	144,966,423	82.2%	170,254,297	112.8%
Other Charges	1,958,186,738	2,293,227,129	2,258,904,131	(34,322,998)	(1.5%)	300,717,393	15.4%
Debt Service	0	3,500,000	3,500,000	0	0.0%	3,500,000	100.0%
Interagency Transfers	64,332,631	73,693,657	75,949,478	2,255,821	3.1%	11,616,847	18.1%
Acquisitions/Repairs	19,174,571	35,313,328	12,635,002	(22,678,326)	(64.2%)	(6,539,569)	(34.1%)
Total	\$ 2,530,770,386	\$ 2,934,610,472	\$ 3,048,989,306	\$ 114,378,834	3.9%	\$ 518,218,920	20.5%

SIGNIFICANT EXPENDITURE CHANGES FY 23

Compared to the FY 22 Existing Operating Budget

Personnel Services	Operating Services	Other Charges	Acquisitions/Repairs
<p>\$10.6 M net increase primarily driven by:</p> <ul style="list-style-type: none"> • \$4.5 M to fund the 27th payroll costs • \$2.8 M in employee pay increases • \$1.6 M increase in personnel services budget authority in OTS • (\$770,469) to fully fund base personnel costs less a factor for projected vacancies 	<p>\$13.6 M net increase primarily driven by a \$13.4 M increase in OTS for services (part of a total adjustment of \$163.5 M)</p>	<p>(\$34.3 M) net decrease primarily driven by:</p> <ul style="list-style-type: none"> • (\$36.2 M) reduction in ORM associated with Hurricane Laura expenses no longer needed in FY 23 • \$2.0 M increase in OTS for additional services 	<p>(\$22.7 M) net decrease primarily driven by:</p> <ul style="list-style-type: none"> • (\$35.3 M) reduction of acquisition and major repair expenses funded in the current year no longer needed • \$12.6 M in new acquisitions and major repairs across the Ancillary agencies, including: <ul style="list-style-type: none"> • \$9.6 M in OTS • \$2.5 M in Prison Enterprises • \$289,050 in DAL

OTHER CHARGES/INTERAGENCY TRANSFERS

Other Charges

Amount	Description
\$ 1,626,073,701	OGB claims payments from self-insured plans
148,778,274	Risk management claims payments
125,000,000	Clean Water State Revolving Loan Fund
92,502,107	OGB fully-insured plan premium payments
67,828,776	OGB third-party administrative fees
51,372,402	Secondary commercial insurance payments (ORM)
44,488,458	Drinking Water Revolving Loan Fund
36,649,000	LCIW reconstruction (ORM)
25,316,863	Contract expenses (ORM)
23,693,505	Statewide IT services support (OTS)
17,201,045	Miscellaneous
\$2,258,904,131	Total Other Charges

Interagency Transfers

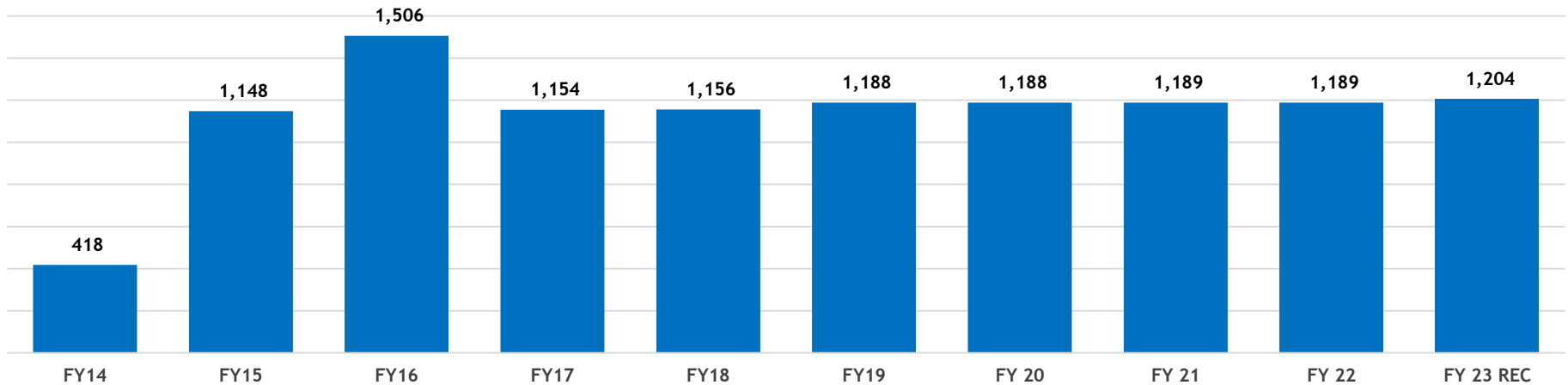
Amount	Description
\$ 21,133,539	Payments to the AG for risk litigation svcs (ORM)
12,524,236	Payments to OTS for services
11,787,511	Multi-year equipment financing payments
6,283,313	Payments to DOA for various support services
6,028,780	Contracts with universities
3,733,397	Rent in state-owned buildings
2,865,846	Reimbursements to agencies for auction sales
1,781,978	Risk management premiums
1,436,288	Payments to Corrections for work crews
594,344	Payments to Civil Service
7,780,246	Miscellaneous
\$75,949,478	Total Interagency Transfers

PERSONNEL INFORMATION

FY 2023 Recommended Positions

1,204	Total Authorized T.O. Positions (1,200 Classified, 4 Unclassified)
9	Authorized Other Charges Positions
24	Non-T.O. FTE Positions
91	Vacant Positions (January 3, 2022)

Historical Authorized T.O. Positions



* Existing Operating Budget on 12/1/21

OFFICE OF GROUP BENEFITS

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	198,733	598,733	598,733	0	0.0%	400,000	201.3%
FSGR	1,601,858,310	1,808,534,458	1,809,106,671	572,213	0.0%	207,248,361	12.9%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 1,602,057,043	\$ 1,809,133,191	\$ 1,809,705,404	\$ 572,213	0.0%	\$ 207,648,361	13.0%

Major Sources of Revenue

Self-generated Revenue

Health and life insurance premiums by all participating active and retired enrollees and their employing agencies.

Interagency Transfers

Payments from LDH for premium billing for the Louisiana Children's Health Insurance Program (LaCHIP).

Significant adjustments compared to the FY 22 Existing Operating Budget

Fees & Self-generated

- \$572,213 increase driven by increased utilization of premium collections to run operations within the office
- Increase in 14 positions without associated funding, transferring positions from the Division of Administration's Office of Finance & Support Services back into OGB to perform services in house

OFFICE OF GROUP BENEFITS

FY 23 Plan Estimates

Plan	Administrative Costs	Claims	Premium Pass Through	Total
<i>Blue Cross Blue Shield Health Plans</i>	\$35,940,342	\$1,179,891,168	\$0	\$1,215,831,510
<i>Express Scripts Pharmacy Benefits</i>	\$6,961,102	\$438,531,722	\$0	\$445,492,824
<i>Health Equity HSA Claims Reimbursements</i>	\$0	\$7,650,811	\$0	\$7,650,811
<i>Access Health*</i>	\$24,000,000	\$0	\$0	\$24,000,000
<i>DataPath - COBRA & FSA</i>	\$896,606	\$0	\$0	\$896,606
<i>Prudential Life Insurance**</i>	\$0	\$0	\$32,913,633	\$32,913,633
<i>Via Benefits- Medicare Market Exchange</i>	\$30,726	\$0	\$0	\$30,726
<i>Vantage Health - Medical Home HMO</i>	\$0	\$0	\$51,231,975	\$51,231,975
<i>Vantage Health - Medicare Advantage</i>	\$0	\$0	\$2,251,908	\$2,251,908
<i>People's Health - Medicare Advantage</i>	\$0	\$0	\$4,565,520	\$4,565,520
<i>Humana - Medicare Advantage</i>	\$0	\$0	\$307,079	\$307,079
<i>HMO Louisiana - Medicare Advantage</i>	\$0	\$0	\$1,231,992	\$1,231,992
Total Payments	\$67,828,776	\$1,626,073,701	\$92,502,107	\$1,786,404,584

Agency Contacts

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*Figures subject to change with potential contract amendments
 **Represents fully insured programs whose claims are not paid out of OGB's fund balance

OFFICE OF RISK MANAGEMENT

Funding Comparison

Means of Finance	FY21	FY22		FY23	Change		Change	
	Actual Expenditures	Existing Operating Budget 12/1/21	Existing Operating Budget	HB465 Budget	Existing Operating Budget to HB465		Actual Expenditures to HB465	
SGF	\$ 35,624,706	\$ 0	\$ 0	\$ 0	0.0%	\$ (35,624,706)	(100.0%)	
IAT	187,183,018	265,682,662	275,551,395	9,868,733	3.7%	88,368,377	47.2%	
FSGR	69,747,490	90,659,819	46,667,088	(43,992,731)	(48.5%)	(23,080,402)	(33.1%)	
Stat Ded	440,026	2,000,000	2,000,000	0	0.0%	1,559,974	354.5%	
Federal	0	0	0	0	0.0%	0	0.0%	
Total	\$ 292,995,240	\$ 358,342,481	\$ 324,218,483	\$ (34,123,998)	(9.5%)	\$ 31,223,243	10.7%	

Major Sources of Revenue

Self-generated Revenue

- Premiums billed to other entities for insurance provided by ORM
- Interest earnings from the self insurance fund

Interagency Transfers

Premiums billed to state agencies for insurance provided by ORM.

Statutory Dedications

Future Medical Care Fund

Legislative appropriations, interest earnings on the fund, and deposits from ORM's self insurance fund.

Agency Contacts

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Significant funding changes compared to the FY 22 Existing Operating Budget

Interagency Transfers

\$9.9 M increase primarily driven by:

- \$23.1 M increase in projected premium collections and utilization of fund balance
- (\$16.4 M) reduction in self-insured costs for the LCIW reconstruction
- \$3 M increase from FEMA for LCIW

Fees & Self-generated

(\$44 M) reduction driven by:

- (\$45 M) reduction for one time secondary insurance collections for Hurricane Laura damage
- \$1 M increase in projected premium collections

LOUISIANA PROPERTY ASSISTANCE AGENCY

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	1,561,404	1,615,846	1,615,846	0	0.0%	54,442	3.5%
FSGR	6,971,099	6,131,390	7,076,522	945,132	15.4%	105,423	1.5%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 8,532,503	\$ 7,747,236	\$ 8,692,368	\$ 945,132	12.2%	\$ 159,865	1.9%

Major Sources of Revenue

Self-generated Revenue

The sale of state surplus property at public auctions.

Interagency Transfers

The sale of state surplus property to state agencies and other political subdivision.

AGENCY CONTACTS

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 Director
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Significant changes compared to the FY 22 Existing Operating Budget

Fees & Self-generated

\$945,132 increase primarily to align with projected reimbursements from the sale of moveable property

FEDERAL PROPERTY ASSISTANCE AGENCY

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	484,342	484,342	1,084,342	600,000	123.9%	600,000	123.9%
FSGR	1,374,530	2,930,708	2,356,966	(573,742)	(19.6%)	982,436	71.5%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 1,858,872	\$ 3,415,050	\$ 3,441,308	\$ 26,258	0.8%	\$ 1,582,436	85.1%

Major Sources of Revenue

Self-generated Revenue

Commissions earned from the sale of federal surplus property to various other entities.

Interagency Transfers

Commissions earned from the sale of federal surplus property to state agencies.

AGENCY CONTACTS

Richard Janis
Director
 Richard.Janis2@la.gov

Significant funding changes compared to the FY 22 Existing Operating Budget

Interagency Transfers

\$600,000 increase driven by a realignment of projected revenue from the sale of federal surplus property to state agencies.

Fees & Self-generated

(\$573,742) net decrease driven by a realignment of projected revenue collections with increased expenditure need.

PRISON ENTERPRISES

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	29,501,263	24,933,479	25,447,628	514,149	2.1%	(4,053,635)	(13.7%)
FSGR	5,025,551	8,829,741	9,036,379	206,638	2.3%	4,010,828	79.8%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 34,526,814	\$ 33,763,220	\$ 34,484,007	\$ 720,787	2.1%	\$ (42,807)	(0.1%)

Major Sources of Revenue

Self-generated Revenue

Sales to non-state entities and sales of surplus farm products on the open market.

Interagency Transfers

Sales of products to various state agencies.

AGENCY CONTACTS

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Director

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Jodi Babin

Budget Director

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Significant changes compared to the FY 22 Existing Operating Budget

Statewide Adjustments

\$408,477 net increase, primarily driven by:

- \$223,128 increase to fund the 27th payroll
- \$219,037 to fully fund base levels of personnel costs
- \$139,995 for staff pay raises

Acq & Major Repairs

\$312,330 net increase driven by reducing \$2.3 M of acquisitions needed in FY 22 and adding \$2.6 M for various major costs such as purchasing new tractors and cattle trailers.

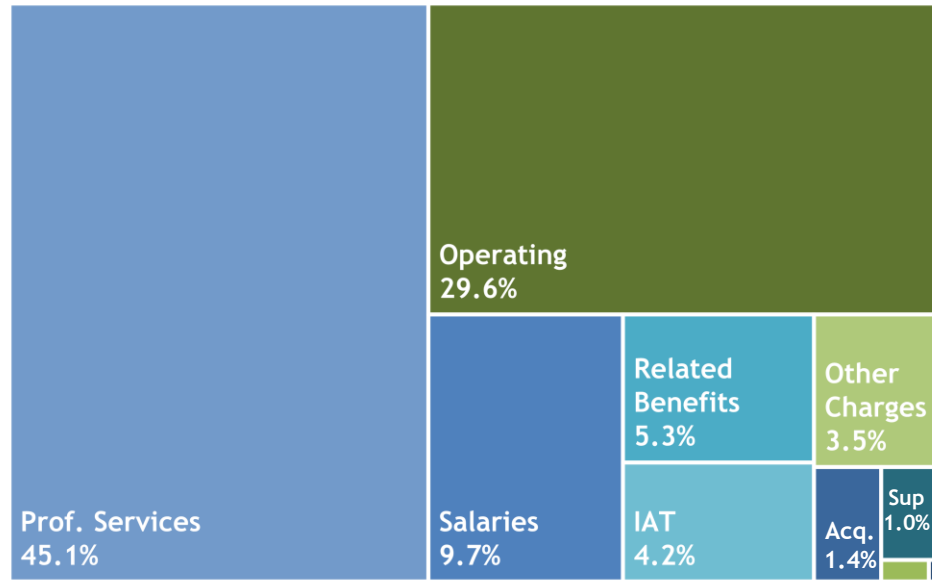
OFFICE OF TECHNOLOGY SERVICES

Funding Recommendation FY 23

Means of Finance		
State General Fund	\$	0
Interagency Transfers		668,564,036
Fees & Self-generated		1,518,473
Statutory Dedications		0
Federal Funds		0
Total	\$	670,082,509

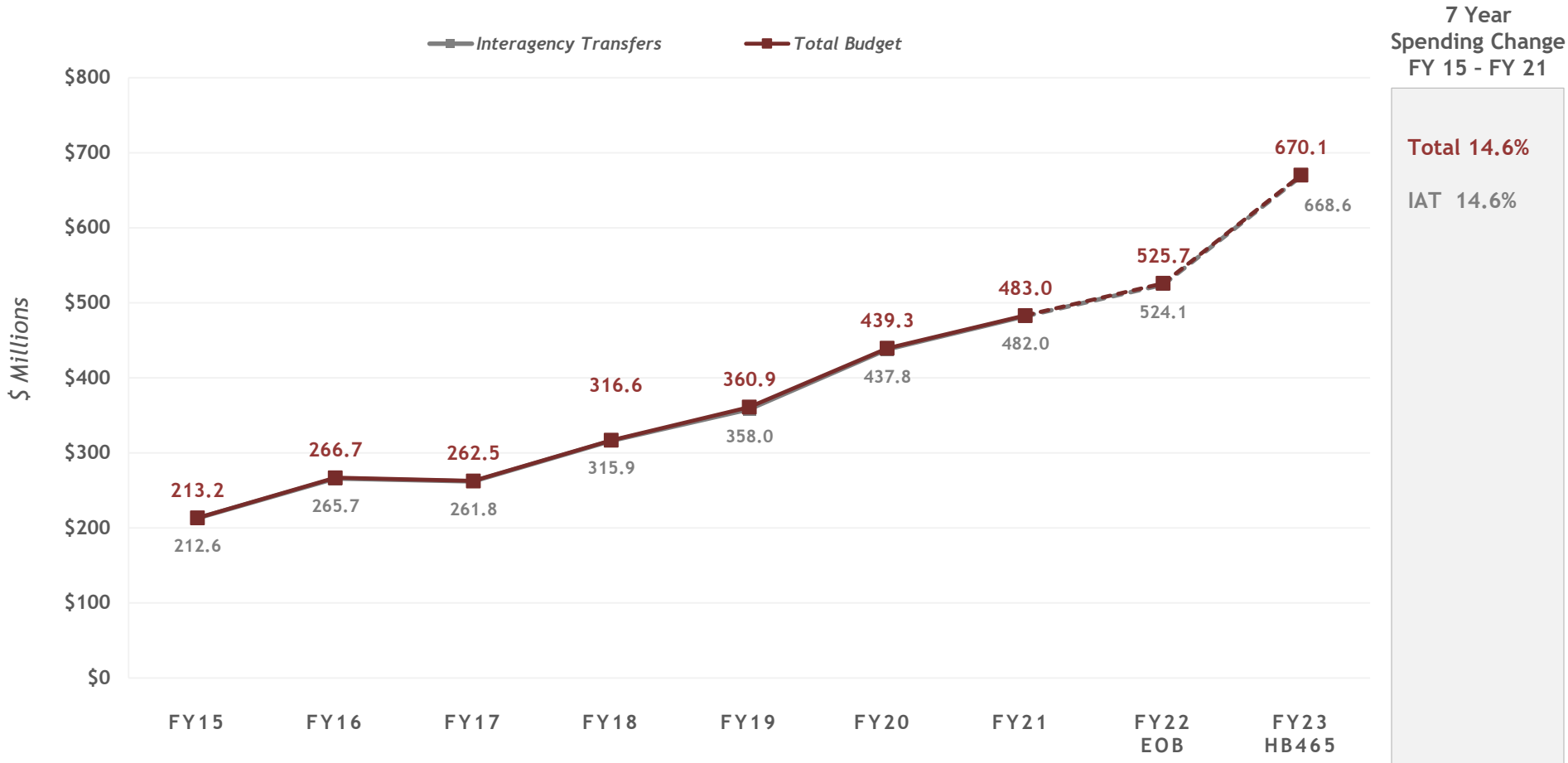


Expenditure Category		
Salaries	\$	64,854,046
Other Compensation		1,274,865
Related Benefits		35,207,654
Travel		261,627
Operating Services		198,048,436
Supplies		6,656,927
Professional Services		302,124,033
Other Charges		23,693,505
Interagency Transfers		28,389,599
Acquisitions/Repairs		9,571,817
Total	\$	670,082,509



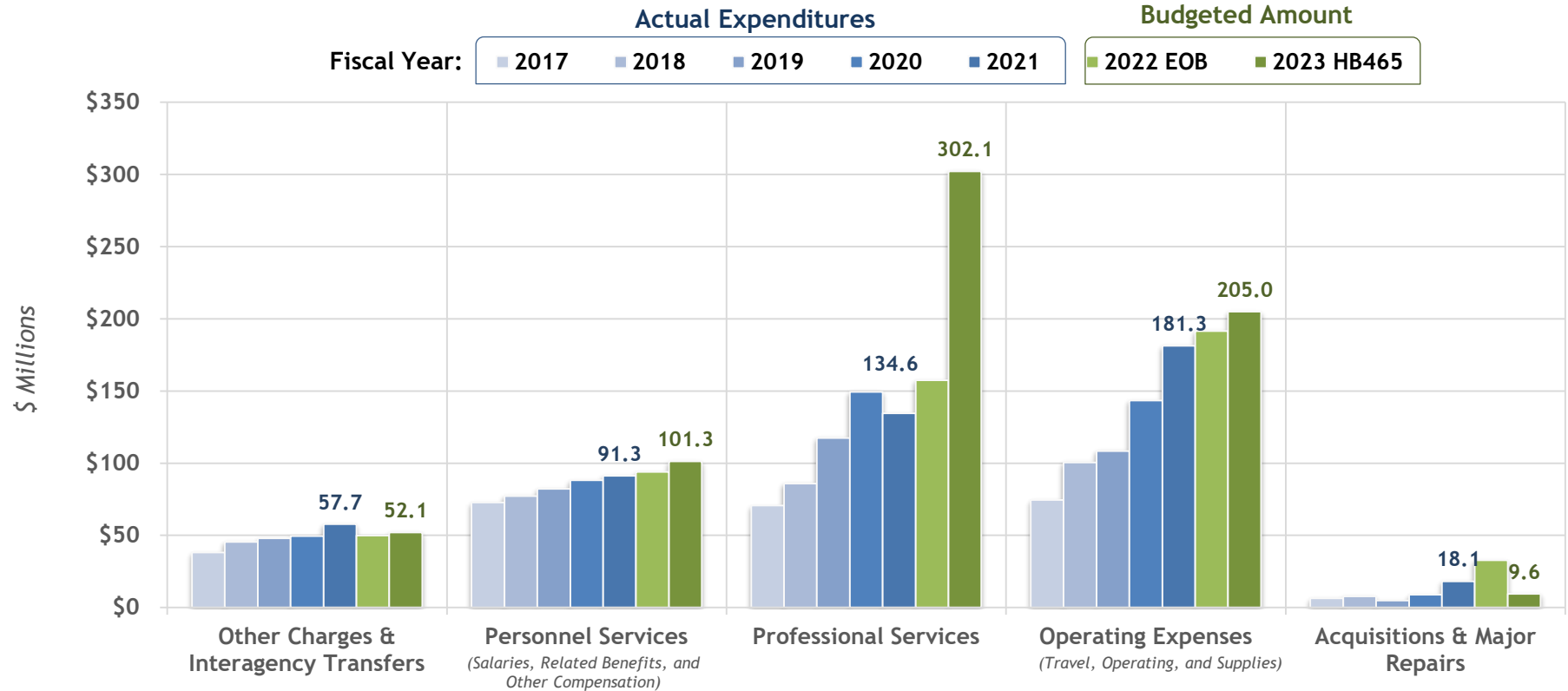
OFFICE OF TECHNOLOGY SERVICES

Historical Spending



OFFICE OF TECHNOLOGY SERVICES

Expenditure History



5 Year Average Spending per Expenditure Category

\$47.8 M : 12.8%	\$82.3 M : 22.1%	\$111.6 M : 30.0%	\$121.6 M : 32.6%	\$9.2 M : 2.5%
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OFFICE OF TECHNOLOGY SERVICES

Expenditure Comparison

Expenditure Category	FY21	FY22	FY23	Change		Change	
	Actual Expenditures	Existing Operating Budget 12/1/21	HB465 Budget	Existing Operating Budget to HB465		Actual Expenditures to HB465	
Personnel Services	\$ 91,260,062	\$ 93,977,753	\$ 101,336,565	\$ 7,358,812	7.8%	\$ 10,076,503	11.0%
Operating Expenses	181,252,613	191,480,798	204,966,990	13,486,192	7.0%	23,714,377	13.1%
Professional Services	134,593,129	157,443,585	302,124,033	144,680,448	91.9%	167,530,904	124.5%
Other Charges	57,729,722	49,942,388	52,083,104	2,140,716	4.3%	(5,646,618)	(9.8%)
Acquisitions/Repairs	18,147,259	32,822,800	9,571,817	(23,250,983)	(70.8%)	(8,575,442)	(47.3%)
Total	\$ 482,982,785	\$ 525,667,324	\$ 670,082,509	\$ 144,415,185	27.5%	\$ 187,099,724	38.7%

Significant Expenditure changes compared to the FY 22 Existing Operating Budget

Personnel Services	Operating Expenses	Professional Services	Other Charges	Acquisitions/Repairs
\$7.4 M increase in salaries to account for the 27 th pay period and adjustments to cover the base need for salaries, classified staff pay increases, and historical attrition charges.	\$13.5 M increase for anticipated customer agency expenditures.	\$145 M increase for anticipated technology purchases requested by customer agencies : <ul style="list-style-type: none"> • \$111 M LDH • \$ 19.5 M Children & Families Services • \$ 8.4 M Wildlife & Fisheries • \$ 6.6 Workforce Commission 	\$2.1 M increase for standard statewide adjustments and expenditures associate with customer agencies.	(\$23.2 M) decrease primarily associated with the removal of acquisitions and major repairs made in FY 22.

OFFICE OF TECHNOLOGY SERVICES

Service Fees vs. Project Comparison

OTS Service Fees \$20.7 M

- Statewide adjustment
- SAP system usage
- HCM Payroll usage
- Lines of service for internet and phone
- State Printing and State Mail services
- Acquisitions or projects are not included
- In-scope and out of scope agencies use
- Help desk

OTS Projects \$163.5 M

- Not a statewide adjustment
- Requested by agencies in CB8-T budget form included in budget requests
- IT acquisitions replacement
- Multi-year agency specific IT projects
- Over and above statewide usage fees
- In-scope agencies
- Support and maintenance of projects after completion

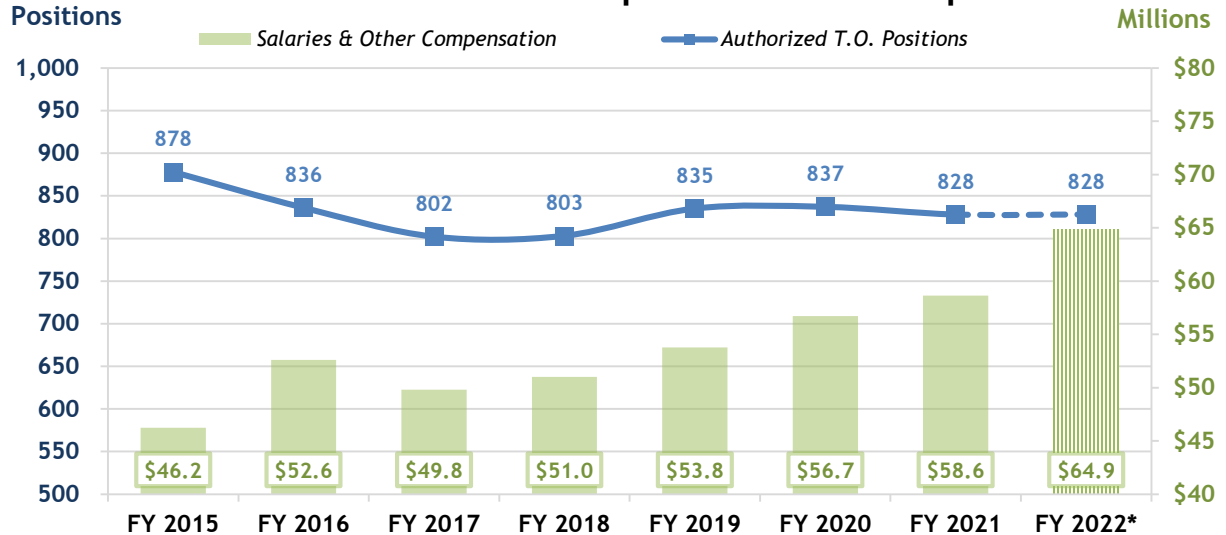
OFFICE TECHNOLOGY SERVICES

Personnel Information

FY 2023 Recommended Positions

828	Total Authorized T.O. Positions (827 Classified, 1 Unclassified)
9	Authorized Other Charges Positions
19	Non-T.O. FTE Positions
53	Vacant Positions (January 3, 2022)

Historical Positions Compare to Salaries Expended



Agency Contacts

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DIVISION OF ADMINISTRATIVE LAW

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	8,096,325	8,615,005	9,800,389	1,185,384	13.8%	1,704,064	21.0%
FSGR	4,935	28,897	28,897	0	0.0%	23,962	485.6%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 8,101,260	\$ 8,643,902	\$ 9,829,286	\$ 1,185,384	13.7%	\$ 1,728,026	21.3%

Major Sources of Revenue

Interagency Transfers

Payments from various state agencies for which the agency conducts administrative hearings.

Self-generated Revenue

Sale of transcripts.

AGENCY CONTACTS

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Director

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Significant funding changes compared to the FY 22 Existing Operating Budget

\$1.2 M increase is primarily driven by the following:

- \$575,025 one-time increase to implement a new case management system
- \$265,865 to fund 27th payroll costs
- \$139,325 to realign employee benefit costs to base levels of funding
- \$137,392 in various pay increases for employees

OFFICE OF STATE PROCUREMENT

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	4,382,943	5,675,334	4,920,576	(754,758)	(13.3%)	537,633	12.3%
FSGR	6,872,002	6,580,487	7,952,842	1,372,355	20.9%	1,080,840	15.7%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 11,254,945	\$ 12,255,821	\$ 12,873,418	\$ 617,597	5.0%	\$ 1,618,473	14.4%

Major Sources of Revenue

Self-generated Revenue

Payments for state agency utilization of negotiated contracts for products and services.

Interagency Transfers

Payments from state agencies for procurement services provided.

AGENCY CONTACTS

Tom Ketterer
Director
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Significant funding changes compared to the FY 22 Existing Operating Budget

Statewide Adjustments

\$617,597 net increase primarily driven by:

- \$262,159 to fund 27th payroll costs
- \$199,510 in employee pay increases
- \$85,595 to realign employee benefit costs to base levels

Funding Realignment

There was a \$1 M realignment in OSP's budget, reducing IAT and increasing fees, to reflect projected collections in FY 23.

OFFICE OF AIRCRAFT SERVICES

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	1,250,030	2,124,574	2,144,850	20,276	1.0%	894,820	71.6%
FSGR	37,702	179,215	179,215	0	0.0%	141,513	375.3%
Stat Ded	0	0	0	0	0.0%	0	0.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 1,287,732	\$ 2,303,789	\$ 2,324,065	\$ 20,276	0.9%	\$ 1,036,333	80.5%

Major Sources of Revenue

Interagency Transfers

Payments from state agencies who utilize flight services.

Self-generated Revenue

Non-state agencies for aircraft maintenance services provided.

AGENCY CONTACTS

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Director
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Significant funding changes compared to the FY 22 Existing Operating Budget

Statewide Adjustments

(\$47,301) net reduction primarily driven by a (\$27,949) realignment of employee benefit costs to base levels and (\$17,900) in reduced need in equipment purchases, offset by an additional \$9,833 to cover costs for a 27th payroll.

Additional Position

\$67,577 increase with an additional position for an aircraft mechanic to address an increased need in aircraft maintenance.

ENVIRONMENTAL STATE REVOLVING LOAN FUNDS

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	0	0	0	0	0.0%	0	0.0%
FSGR	0	0	0	0	0.0%	0	0.0%
Stat Ded	61,641,988	125,350,000	125,350,000	0	0.0%	63,708,012	103.4%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 61,641,988	\$ 125,350,000	\$ 125,350,000	\$ 0	0.0%	\$ 63,708,012	103.4%

Statutory Dedications

Clean Water State Revolving Fund - \$125 M

Receives a combination of federal grant funds with state match when made available, and utilizes interest payments paid back into the fund from eligible borrowers to supplement the fund's balance

Brownfields Cleanup Revolving Loan Fund - \$350,000

Receives a combination of federal grant funds with state match when made available, and utilizes interest payments paid back into the fund from eligible borrowers to supplement the fund's balance

DRINKING WATER REVOLVING LOAN FUND

Funding Comparison

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB465 Budget	Change Existing Operating Budget to HB465		Change Actual Expenditures to HB465	
SGF	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%
IAT	0	0	0	0	0.0%	0	0.0%
FSGR	0	0	0	0	0.0%	0	0.0%
Stat Ded	25,531,204	47,988,458	47,988,458	0	0.0%	22,457,254	88.0%
Federal	0	0	0	0	0.0%	0	0.0%
Total	\$ 25,531,204	\$ 47,988,458	\$ 47,988,458	\$ 0	0.0%	\$ 22,457,254	88.0%

Statutory Dedications

The Drinking Water Revolving Loan Fund receives a combination of federal grant funds with state match when made available, and utilizes interest payments paid back into the fund from local governments to supplement the fund's balance.

General Agency Information

OVERVIEW



The Office of Group Benefits (OGB) manages an employer-based life and health insurance program for current and former state employees and other participating groups.

Agency Functions

Third-party Administration

Pays fees, usually on a per-member-per-month (PMPM) basis, charged by third-party vendors for the administration of OGB's self funded health plans' medical and prescription drug benefits, COBRA, flexible spending, and others.

Self-funded Health Insurance

Provides employees, retirees, and dependents of the state of Louisiana and other eligible participating groups comprehensive health insurance plans that cover medical, prescription drug, mental health, and substance abuse coverage.

Fully insured health Insurance

Provides alternative options, including Medicare Advantage Plans and HMO/Medical Home Health Plan.

Life insurance

Provides affordable term life insurance products for eligible employees and retirees, with the state of Louisiana participating in 50% of the cost.

LDH Products

Issues invoices and collects payments for the Louisiana Children's Health Insurance Plan (LaCHIP) and Family Opportunity Act (FOA) offered by LDH.

OFFICE OF RISK MANAGEMENT

OVERVIEW

The mission of the Office of Risk Management is to develop, direct, achieve, and administer a cost-effective, comprehensive risk management program for all agencies, boards and commissions of the State of Louisiana and for any other entity for which the State has an equity interest, in order to preserve and protect the assets of the State of Louisiana.

Agency Functions

Administration

Provides executive leadership and management of the self-insurance program.

Claims Losses & Related Payments

Pays adjusted/settled claims, commercial excess premiums, and related costs. Also pays for certain contractual costs of the Third Party Administrator (TPA).

Disaster Management and Recovery

Serves as the single applicant for Federal Public Assistance grants representing the state for all damaged state-owned public facilities.

Contract Litigation

Provides funding for contracts issues for the legal defense of claims made against the state. This includes contract attorneys and other related expenses.

Division of Risk Litigation

Reimburses the Division of Risk Litigation in the Louisiana Department of Justice (DOJ) for legal defense of claims against the state.

LOUISIANA PROPERTY ASSISTANCE AGENCY

OVERVIEW

The Louisiana Property Assistance Agency (LPAA) provides for the accountability of the state's movable property using sound management practices; ensures that all state agencies comply with the State Property Control and Fleet Management Regulations; provides a savings and return on state and federal monies through redistribution and sale of surplus property; and tracks the utilization of the state's fleet of passenger vehicles.

Agency Functions

Property Certifications

Ensures all state agencies comply with property and fleet regulations by reviewing inventory certification documents from each agency.

Surplus Property

Removes surplus property from state agency locations across the state. LPAA then makes this surplus available to other state agencies, municipalities, and qualifying non-profit entities.

FEDERAL PROPERTY ASSISTANCE AGENCY

OVERVIEW

The mission of Federal Property Assistance is to re-utilize the tax dollar by putting federal property that is no longer needed into the hands of Louisiana entities. This surplus property may be used by all eligible donees in public and private health facilities, cities, parish and state government, as well as qualified 501 non-profit organizations and federal Small Business Administration subcontractors.

Agency Functions

Transfer of Federal Surplus Property to Louisiana

The Louisiana Federal Property Assistance Agency (LFPAA) secures surplus federal property and makes it available to eligible groups in Louisiana, including various public and private education entities, public and private health facilities, local, parish and state governments, and qualified 501(c) non-profit organizations.

PRISON ENTERPRISES

OVERVIEW



The mission of Prison Enterprises is to lower the cost of incarceration by providing job opportunities to offenders that instill occupational and skills training, while producing quality products and services for sale to state and local governments, non-profit organizations, political subdivisions and others. Operation of the Prison Enterprises' programs serves to further the Department of Corrections Reentry Initiative by enabling offenders to increase the potential for successful rehabilitation and reintegration into society.

Agency Functions

Industry Operations

Utilizes offender labor in the production of low-cost goods and services, which reduce the overall cost of incarceration and save funds for other state agencies, parishes, and local government entities.

Agriculture Operations

Utilizes offender labor in the production of a wide variety of crops and livestock sold on the open market.

OVERVIEW



The mission of the Office of Technology Services (OTS) is to establish competitive, cost-effective technology systems and services while acting as the sole centralized customer for the acquisition, billing and record keeping of those technology services. The Office of Technology Services shall charge respective user agencies for the cost of the technology and services provided including the cost of the operation of the office in a fair, equitable, and consistent manner, in full compliance with State of Louisiana statutes.

Agency Functions

- Procures technology and communication systems and services on behalf of most of state government by leveraging the state's buying power to secure the most favorable contract terms and conditions
- Provides a comprehensive package of technology and communication systems and services that meet the needs of the government enterprise and enable individual agencies/customers to carry out their operational plans, missions, program goals, and objectives
- Assists customers in the assessment of their technology and communications requirements and provide consolidated management, administration, and implementation coordination and support of services, as appropriate

DIVISION OF ADMINISTRATIVE LAW

OVERVIEW



The mission of the Division of Administrative Law is to provide a neutral forum for resolving administrative disputes by conducting accessible, fair, and prompt hearings and rendering well-reasoned decisions and orders.

Agency Functions

- Handles administrative hearings and provides due process to the citizens of the State and to executive branch agencies, through hearings conducted by Administrative Law Judges
- Dockets, schedules, and conducts adjudications for state agencies, including the issuance of decisions and orders
- *Not to be confused with Ethics Administration*

OVERVIEW

The mission of the Office of State Procurement is to develop and implement sound procurement practices in accordance with executive policy and legislative mandates, and to provide quality and timely services to the agency and vendor communities.

The Office of State Procurement (OSP) administers competitive, cost-effective purchasing opportunities and contracts for goods and services required by state agencies. They also regulate Requests for Proposals (RFP's) and contracts for professional and complex services and the bid process.

Agency Functions

- Manages costs by standardizing procurement of goods and services, ensuring that contract pricing, terms and conditions are advantageous to the State
- Provides quality and timely services to user agencies and vendors to ensure that the office prioritizes customer service to agencies and vendors alike
- Realizes economies of scale by leveraging the State's buying power, ensuring that small and large agencies alike have access to the best pricing available, and that the State's enterprise purchasing activities are aligned with the State's budget
- Ensures that all procurement and related management processes are conducted in full accordance with State and Federal law, policies and procedures

OVERVIEW

The mission of the Office of Aircraft Services is to manage the overall maintenance and provide all needed and required support for safe, proper, and economic operation of the State's various aircraft.

Agency Functions

Flight Maintenance

Performs maintenance, inspections, modifications, parts procurement and replacement avionic services, fuel services, storage, and outside services as required within government guidelines, rules and regulations.

ENVIRONMENTAL STATE REVOLVING LOAN FUNDS

OVERVIEW



Clean Water State Revolving Fund

The Clean Water State Revolving Fund assists the State in meeting water quality goals and ensure the long-range integrity of the fund by:

- Reaching statewide compliance with Federal and State water quality standards by providing financial aid to municipalities and other qualified recipients
- Promoting expanded eligibility under Title VI of the Clean Water Act allowing financial assistance for non-point sources, reconstruction of waste water treatment facilities needed to accommodate population growth, estuaries, and groundwater-related needs

Brownfields Cleanup Revolving Loan Fund

Provides funding to protect the health and welfare of the citizens of the State by:

- Striving to uphold the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
- Utilizing funds to clean up vacant and/or underutilized properties where environmental concerns prevent their redevelopment
- Facilitating the reuse of blighted properties into neighborhood assets by helping to address environmental issues that hinder redevelopment of the properties

**Both funds administered by the Department of Environmental Quality*

OVERVIEW



The mission of the Drinking Water Revolving Loan Fund (DWRLF) is to provide for the correction of conditions that may cause poor water quality and/or quantity delivery to Louisiana citizens.

Functions

- Provides low-interest loans and technical assistance to public water systems in Louisiana to assist them in complying with state and federal drinking water regulations
- Administered by the Department of Health