

MEMORANDUM



DATE: November 12, 2013
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Transfer Package 2013-14

Attached are legislative transfers proposed by the State Budget Office in a letter dated November 8, 2013. Pursuant to section 393 of the Management and Budget Act, a legislative transfer must be approved by a majority of both the House and Senate Appropriations Committees, with identical funding sources and dollar amounts, in order to become effective. This transfer package is scheduled to be considered by the House Appropriations Committee on Wednesday, November 13, 2013.

There are two basic types of legislative transfers, which have different effects on the overall level of appropriations in the state budget.

A **standard legislative transfer** shifts existing spending authorization between line items in a particular department or budget area, with no net change in total appropriations. Generally, such transfers are proposed when expenditures are higher than originally anticipated in one line item and lower than anticipated in another. These transfers can represent a shift of GF/GP funding between two line items, or merely a shift of spending authorization from same broad category of funding (federal, restricted, etc.) between the line items.

As shown in the attached table, standard transfers in this package total \$1.2 million, which will shift 0.00% of total appropriations within the existing FY 2012-13 year-to-date state budget.

A **contingency fund transfer** increases total line item appropriations in a department or budget area by moving contingency spending authorization from the boilerplate section of a budget act to a specific line item in order to recognize additional federal, private, local, or state restricted revenue that has become available since the original enactment of the budget. Absent the contingency fund transfer mechanism, this type of budget adjustment would be made through a supplemental appropriation bill.

As shown in the attached table, there are no contingency fund transfers in this package.

If you have questions about the transfers generally, please contact me. If you have questions about an individual transfer, please contact the HFA analyst assigned to that budget area. We can be reached at 373-8080.

Attachment

LEGISLATIVE TRANSFER PACKAGE

|  Mary Ann Cleary, Director Margaret Alston, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant | Summary Sheet SBO LETTER: 2013-14 November 8, 2013 | | |
|---|---|------|--------------------|
| Department | Analyst | Page | Total Transfer |
| Human Services | Kevin Koorstra | 1 | \$1,200,000 |
| Total | | | \$1,200,000 |

FY 2012-13 Legislative Transfers: Request 2013-14

| Budget | Year-to-Date Total Approps | Standard Transfers (Within Existing Budget) | | | | | | TOTAL | % of Budget Shifted |
|----------------|---------------------------------------|--|--------------------|--------------|----------------|-------------------|--------------------|--------------|--------------------------------|
| | | IDG | Federal | Local | Private | Restricted | GF/GP | | |
| Human Services | 6,167,035,000 | | 1,200,000 | | | | 1,200,000 | 0.02% | |
| TOTAL* | \$48,546,797,400 | \$0 | \$1,200,000 | \$0 | \$0 | \$0 | \$1,200,000 | 0.00% | |

*Including budget areas not affected by transfers.

LEGISLATIVE TRANSFER

BUDGET AREA: **HUMAN SERVICES**
 FISCAL YEAR: **2012-13**
 TRANSFER AMOUNT: **\$1,200,000**

S.B.O. LETTER: **11/8/2013**
 S.B.O. REQUEST: **2013-14**
 ANALYST: **Kevin Koorstra**

| TRANSFER ITEMS | Y-T-D AUTH. | Y-T-D EXPEND. & ENCUMB. AS OF 11/8/13 | BALANCE AVAILABLE AS OF 11/8/13 | GOV'S REC. 11/8/13 | HOUSE ACTION | SENATE ACTION |
|--|----------------|--|---------------------------------------|--------------------------|-----------------|------------------|
| FROM: SEC. 106. CHILDREN'S SERVICES | | | | | | |
| Family preservation and prevention services programs | 2,500,000 | 1,141,274 | 1,358,726 | (1,200,000) | | |
| Funding source: | | | | | | |
| Social security act, temporary assistance for needy families | 2,500,000 | 1,141,274 | 1,358,726 | (1,200,000) | | |
| TO: SEC. 106. CHILDREN'S SERVICES | | | | | | |
| Child protection and permanency | 14,889,700 | 10,642,288 | 4,247,412 | 1,200,000 | | |
| Funding source: | | | | | | |
| Social security act, temporary assistance for needy families | 14,359,300 | 9,669,476* | 4,689,824* | 1,200,000 | | |

This transfer request aligns federal TANF authorization in the child protection and permanency line item with anticipated financing needs. There is not a gross shortfall in the line item overall. There is sufficient TANF authorization in the family preservation and prevention services programs line item due to lower than anticipated spending in the current fiscal year. The child protection and permanency line is also adjusted through the administrative transfer to fully align appropriations with anticipated claims.

*Year-to-date (YTD) expenditures, encumbrances, and balances by revenue source are estimates.