

8860 Department of Finance

By statute, the Director of Finance serves as the Governor's chief fiscal policy advisor with emphasis on the financial integrity of the state and maintenance of a fiscally sound and responsible Administration.

The objectives of the Department of Finance are:

- To prepare, present, and support the annual financial plan for the state.
- To assure responsible and responsive state resource allocation within resources available.
- To foster efficient and effective state structure, processes, programs, and performance.
- To ensure integrity in state fiscal databases and systems.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 Annual Financial Plan	146.5	144.6	144.0	\$20,777	\$23,013	\$23,820
15 Statewide Systems Development	-	28.8	11.4	-	6,715	1,915
20 Program and Information System Assessments	99.1	111.9	100.2	13,274	14,513	13,173
30 Supportive Data	103.3	98.6	97.7	16,268	16,138	13,102
40.01 Administration	56.6	55.6	83.5	6,183	6,672	8,740
40.02 Distributed Administration	-	-	-	-6,183	-6,672	-6,105
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	405.5	439.5	436.8	\$50,319	\$60,379	\$54,645
FUNDING				2006-07*	2007-08*	2008-09*
0001 General Fund				\$36,952	\$44,452	\$33,753
0494 Other Unallocated Special Funds				-	598	602
0797 Unallocated Bonds Funds - Select				-	130	131
0988 Various Other Unallocated Non-Governmental Cost Funds				-	358	361
0995 Reimbursements				13,367	14,841	19,679
6065 Local Streets & Road Improvement Congestion Relief & Traffic Safety Act of 2006 Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006				-	-	119
TOTALS, EXPENDITURES, ALL FUNDS				\$50,319	\$60,379	\$54,645

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Section 13000.

PROGRAM AUTHORITY

10-Annual Financial Plan:

Article IV, Section 12 of the State Constitution; Government Code Sections 13335 and 13337.

15-Statewide Systems Development:

Government Code Section 13300.

20-Program and Information System Assessments:

Government Code Sections 13070-13077 and 13291-13296.

30-Supportive Data:

Article IV, Section 12 of the State Constitution; Government Code Sections 13073, 13300-13301 and 13306.

40-Administration:

Government Code Section 13005.

MAJOR PROGRAM CHANGES

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

- FI\$Cal Project - The Budget proposes the transfer of 18 positions in the Statewide Systems Development Unit to the newly established Financial Information System for California (FI\$Cal), Org. 8880.
- Mandates Unit - The Budget proposes \$468,000 General Fund and four positions for the permanent establishment of a unit to continue the development, vetting, and implementation of policies and procedures to be used to reform the reimbursable mandate process.

BUDGET-BALANCING REDUCTIONS

- The Budget includes General Fund reductions of \$3.375 million, \$105,000 Special Funds, and 28.5 personnel years in 2008-09. The major budget balancing reductions include:

- 2008-09

The reduction of 14 positions in the Annual Financial Plan Program results in a savings of \$1.450 million and 13.2 personnel years.

The reduction five positions in the Program and Information Systems Assessment Program results in a savings of \$0.569 million and 4.8 personnel years.

The reduction of five positions in the Supportive Data Program results in a savings of \$0.496 million and 4.8 personnel years.

The reduction of six positions in Administration and Program Support results in a savings of \$0.965 million and 5.7 personnel years.

DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Baseline Adjustment Descriptions						
• Full Year Cost Adjustment for Department of Finance 2006-07 Compensation BCP	\$-	\$-	-	\$923	\$292	-
• C.S. 15.25, DTS Rate Adjustment	31	-	-	31	-	-
• Price Increase	-151	-	-	18	57	-
• SB 89 (Chapter 182, Statutes of 2007)	300	-	-	-	-	-
• Transfer FI\$Cal Base Budget to Organization Code 8880	-	-	-	-2,315	-	-17.1
• Baseline Adjustment - FI\$Cal one-time funding	-	-	-	-4,300	-	-
• Other Baseline Adjustments	1,094	321	-	-4,478	268	-3.8
• Permanently Establish Mandates Unit	-	-	-	468	-	3.8
• Implement Requirements of SB 88 - Local Streets and Roads Bond	-	-	-	-	119	1.0
• Staff to Ensure Quality of Estimate Process	-	-	-	228	-	1.6
Totals, Baseline Adjustments	\$1,274	\$321	-	-\$9,425	\$736	-14.5
Policy Adjustment Descriptions						
• Financial Information System for California (FI\$Cal)	\$-	\$-	-	\$-	\$4,550	40.8
Totals, Policy Adjustments	\$-	\$-	-	\$-	\$4,550	40.8
TOTALS, BUDGET ADJUSTMENTS	\$1,274	\$321	-	-\$9,425	\$5,286	26.3
Other Adjustments ^{1/}						
• Budget-Balancing Reductions	-	-	-	-3,375	-105	-28.5
REVISED TOTALS, BUDGET ADJUSTMENTS	\$1,274	\$321	-	-\$12,800	\$5,181	-2.2

^{1/} These dollars and PYs are included in the General Government agency, therefore not included in the other fiscal statements for this department. These totals are also not included in the applicable Summary Schedules for this department.

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - ANNUAL FINANCIAL PLAN

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

To ensure the financial integrity of the state through the planned allocation of state resources, the Department of Finance advises the Governor on the fiscal condition of the state and prepares the annual Governor's Budget. The Governor's Budget contains past year actual expenditures and revenues, current year estimated expenditures and revenues, and proposed expenditures and estimated revenues for the next fiscal year. After the budget is enacted, the Department of Finance assists in the administration of the budget. The Department of Finance also provides fiscal analyses of bills introduced in the Legislature and makes recommendations to the Governor.

15 - STATEWIDE SYSTEMS DEVELOPMENT

The Department of Finance is one of four partner agencies responsible for the development, implementation, utilization, and maintenance of an integrated statewide financial management system, the Financial Information System for California (FI\$Cal).

20 - PROGRAM AND INFORMATION SYSTEM ASSESSMENTS

The Department of Finance systematically reviews and evaluates state-administered and financed programs. The Office of State Audits and Evaluations assists the Director of Finance in fulfilling the statutory responsibilities for supervision over all matters concerning the financial and business policies of the state by conducting financial audits and by performing critical examinations of state programs and policies. The Performance Review Unit conducts performance reviews of state agencies and programs and recommends ways to lower the costs of state government and to better serve the public within existing resources.

30 - SUPPORTIVE DATA

This program includes a variety of information systems and services. The budget support systems provide information to decision-makers throughout the budgetary process. The operation and management of the automated California State Accounting and Reporting System (CALSTARS) is intended to provide a uniform and complete accounting system for state agencies. The Fiscal Systems and Consulting Unit develops and maintains statewide fiscal and accounting policies and provides fiscal and accounting advice and consultation to all state departments. Basic and applied economic and tax research functions support the revenue estimates required for the development of the state financial plan, for the analysis of financial legislation, and the evaluation of economic trends or other fiscal developments which affect the state. Basic and applied demographic research functions provide data to support the workload estimates of state agencies.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2006-07*	2007-08*	2008-09*
PROGRAM REQUIREMENTS			
10 ANNUAL FINANCIAL PLAN			
State Operations:			
0001 General Fund	\$18,712	\$20,807	\$20,976
0995 Reimbursements	2,065	2,206	2,725
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	-	119
Totals, State Operations	\$20,777	\$23,013	\$23,820
ELEMENT REQUIREMENTS			
10.10 Preparation	\$7,857	\$8,334	\$9,253
State Operations:			
0001 General Fund	7,857	8,334	9,194
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	-	59
10.20 Enactment	\$3,471	\$3,869	\$4,009
State Operations:			
0001 General Fund	3,471	3,869	3,972
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	-	37
10.30 Support and Direction	\$6,158	\$7,260	\$6,936
State Operations:			
0001 General Fund	4,093	5,054	4,204
0995 Reimbursements	2,065	2,206	2,725

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

	2006-07*	2007-08*	2008-09*
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	-	7
10.40 Legislation and Intergovernmental Relations	\$3,291	\$3,550	\$3,622
State Operations:			
0001 General Fund	3,291	3,550	3,606
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	-	16
PROGRAM REQUIREMENTS			
15 STATEWIDE SYSTEMS DEVELOPMENT			
State Operations:			
0001 General Fund	\$-	\$6,715	\$-
Reimbursements	-	-	1,915
Totals, State Operations	\$-	\$6,715	\$1,915
PROGRAM REQUIREMENTS			
20 PROGRAM AND INFORMATION SYSTEM ASSESSMENTS			
State Operations:			
0001 General Fund	\$7,088	\$7,292	\$6,173
0995 Reimbursements	6,186	7,221	7,000
Totals, State Operations	\$13,274	\$14,513	\$13,173
ELEMENT REQUIREMENTS			
20.25 Office of State Audits and Evaluations	\$9,935	\$12,237	\$12,740
State Operations:			
0001 General Fund	4,307	5,237	5,740
0995 Reimbursements	5,628	7,000	7,000
20.28 Performance Review	\$451	\$584	\$433
State Operations:			
0001 General Fund	346	380	433
0995 Reimbursements	105	204	-
20.30 Technology Oversight and Security	\$2,888	\$1,692	\$-
State Operations:			
0001 General Fund	2,435	1,675	-
0995 Reimbursements	453	17	-
PROGRAM REQUIREMENTS			
30 SUPPORTIVE DATA			
State Operations:			
0001 General Fund	\$11,152	\$9,674	\$6,604
0494 Other Unallocated Special Funds	-	598	602
0797 Unallocated Bond Funds - Select	-	130	131
0988 Various Other Unallocated Non-Governmental Cost Funds	-	358	361
0995 Reimbursements	5,116	5,378	5,404
Totals, State Operations	\$16,268	\$16,138	\$13,102
ELEMENT REQUIREMENTS			
30.11 Statewide and Departmental Fiscal Reporting	\$6,303	\$2,208	\$2,221
State Operations:			
0001 General Fund	6,302	2,208	2,221

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

		2006-07*	2007-08*	2008-09*
0995	Reimbursements	1	-	-
30.12	CALSTARS	\$5,595	\$5,516	\$5,461
	State Operations:			
0001	General Fund	523	186	105
0995	Reimbursements	5,072	5,330	5,356
30.20	Economic Research	\$373	\$409	\$411
	State Operations:			
0001	General Fund	373	409	411
30.30	Revenue Estimating and Tax Research	\$883	\$967	\$973
	State Operations:			
0001	General Fund	883	967	973
30.40	Demographic Research	\$1,863	\$4,975	\$1,871
	State Operations:			
0001	General Fund	1,860	4,970	1,866
0995	Reimbursements	3	5	5
30.50	Fiscal Systems and Consulting	\$1,251	\$2,063	\$2,165
	State Operations:			
0001	General Fund	1,211	934	1,028
0494	Other Unallocated Special Funds	-	598	602
0797	Unallocated Bond Funds - Select	-	130	131
0988	Various Other Unallocated Non-Governmental Cost Funds	-	358	361
0995	Reimbursements	40	43	43
	PROGRAM REQUIREMENTS			
40	ADMINISTRATION			
	State Operations:			
	General Fund	\$-	-\$36	\$-
	Reimbursements	-	36	2,635
	Totals, State Operations	\$-	\$-	\$2,635
	ELEMENT REQUIREMENTS			
40.01	Administration	\$6,183	\$6,672	\$8,740
	State Operations:			
0001	General Fund	6,183	6,636	6,105
0995	Reimbursements	-	36	2,635
40.02	Distributed Administration	-\$6,183	-\$6,672	-\$6,105
	State Operations:			
0001	General Fund	-6,183	-6,672	-6,105
	TOTALS, EXPENDITURES			
	State Operations	50,319	60,379	54,645
	Totals, Expenditures	\$50,319	\$60,379	\$54,645

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	405.5	452.8	428.8	\$30,113	\$34,275	\$33,575
Total Adjustments	-	10.1	31.6	-	1,571	3,423
Estimated Salary Savings	-	-23.4	-23.6	-	-1,519	-1,603

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Net Totals, Salaries and Wages	405.5	439.5	436.8	\$30,113	\$34,327	\$35,395
Staff Benefits	-	-	-	9,718	11,558	11,548
Totals, Personal Services	405.5	439.5	436.8	\$39,831	\$45,885	\$46,943
OPERATING EXPENSES AND EQUIPMENT				\$10,488	\$14,494	\$7,702
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$50,319	\$60,379	\$54,645

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$34,197	\$-	\$-
Allocation for employee compensation	1,497	-	-
Adjustment per Section 3.60	207	-	-
001 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	-	36,563	-
Allocation for employee compensation	-	1,027	-
Adjustment per Section 3.60	-	-74	-
Adjustment per Section 4.04	-	-110	-
Adjustment per Section 15.25	-	31	-
001 Budget Act appropriation	-	-	33,753
002 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	-	6,615	-
Allocation for employee compensation	-	150	-
Adjustment per Section 3.60	-	-9	-
Adjustment per Section 4.04	-	-41	-
Chapter 182, Statutes of 2007	-	300	-
Prior year balances available:			
Item 8860-001-0001, Budget Act of 2005 as reappropriated by Item 8860-490, Budget Act of 2006	1,294	-	-
Totals Available	\$37,195	\$44,452	\$33,753
Unexpended balance, estimated savings	-243	-	-
TOTALS, EXPENDITURES	\$36,952	\$44,452	\$33,753
0494 Other Unallocated Special Funds			
APPROPRIATIONS			
011 Budget Act appropriation	\$-	\$587	\$602
Allocation for employee compensation	-	12	-
Adjustment per Section 3.60	-	-1	-
TOTALS, EXPENDITURES	\$-	\$598	\$602
0797 Unallocated Bonds Funds - Select			
APPROPRIATIONS			
011 Budget Act appropriation	\$-	\$127	\$131
Allocation for employee compensation	-	3	-
TOTALS, EXPENDITURES	\$-	\$130	\$131
0988 Various Other Unallocated Non-Governmental Cost Funds			
APPROPRIATIONS			
011 Budget Act appropriation	\$-	\$352	\$361
Allocation for employee compensation	-	7	-
Adjustment per Section 3.60	-	-1	-
TOTALS, EXPENDITURES	\$-	\$358	\$361

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

1 STATE OPERATIONS		2006-07*	2007-08*	2008-09*
	0995 Reimbursements			
APPROPRIATIONS				
Reimbursements		\$13,367	\$14,841	\$19,679
6065 Local Streets & Road Improvement Congestion Relief & Traffic Safety Acct of 2006				
	Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006			
APPROPRIATIONS				
001 Budget Act appropriation		\$-	\$-	\$119
TOTALS, EXPENDITURES		\$-	\$-	\$119
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)		\$50,319	\$60,379	\$54,645

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	405.5	452.8	428.8	\$30,113	\$34,275	\$33,575
Salary Adjustments	-	-	-	-	1,143	1,073
Workload and Administrative Adjustments:				Salary Range		
Positions Established:						
Prin Prog Budget Analyst III	-	1.0	-	7,220-7,959	104	-
Asst Finance Budget Analyst	-	2.0	-	3,718-4,518	109	-
Temporary Help	-	7.1	-	-	818	-
Redirection of Salaries	-	-	-	-	-603	-
Reductions in Authorized Positions:						
Statewide Systems Development:						
DP Mgr IV	-	-	-1.0	7,568-8,761	-	-110
Prin Prog Budget Analyst III	-	-	-2.0	7,220-7,959	-	-221
DP Mgr III	-	-	-3.0	6,884-7,968	-	-299
Prin Prog Budget Analyst II	-	-	-1.0	6,884-7,590	-	-107
Supvng Adm Analyst-Acctg	-	-	-1.0	6,556-7,228	-	-86
Acctg Administrator III	-	-	-1.0	6,556-7,228	-	-93
Staff Services Mgr II - Mgrl	-	-	-3.0	5,970-6,584	-	-245
Sr Info Systems Analyst - Spec	-	-	-1.0	5,388-6,875	-	-89
Staff Info Systems Analyst - Spec	-	-	-2.0	4,898-6,253	-	-144
Assoc Business Mgmt Analyst	-	-	-1.0	4,255-5,172	-	-62
Adm Asst I	-	-	-1.0	3,538-4,300	-	-48
Staff Services Analyst	-	-	-1.0	2,950-3,586	-	-37
Totals, Workload & Admin Adjustments	-	10.1	-18.0	\$-	\$428	-\$1,541
Proposed New Positions:						
Mandate Process Activities:						
Staff Counsel III	-	-	1.0	7,682-9,478	-	107
Prin Prog Budget Analyst III	-	-	1.0	7,465-8,230	-	94
Staff Finance Budget Analyst	-	-	2.0	5,332-6,433	-	141
Estimate Process for Health and Human Services:						
PPBA III	-	-	1.0	7,465-8,230	-	108
Temporary Help	-	-	0.6	-	-	51
Overtime	-	-	-	-	-	7
Implementation of SB 88 Requirements:						
Staff Finance Budget Analyst	-	-	1.0	5,332-6,433	-	81
FI\$Cal - Project:						
Administrative Services:						
C.E.A. II	-	-	1.0	7,815-8,616	-	103

* Dollars in thousands, except in Salary Range.

8860 Department of Finance - Continued

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Staff Svcs Mgr II-Supvr	-	-	2.0	5,576-6,727	-	148
Staff Svcs Mgr I	-	-	4.0	5,079-6,127	-	269
Hlth Safety Ofcr	-	-	1.0	4,622-5,576	-	61
Assoc Bus Mgmt Analyst	-	-	2.0	4,400-5,348	-	117
Assoc Pers Analyst	-	-	6.0	4,400-5,348	-	351
Assoc Govtl Prog Analyst	-	-	1.0	4,400-5,348	-	64
Bus Svc Ofcr II-Supvr	-	-	1.0	4,216-5,079	-	56
Bus Svc Ofcr II-Spec	-	-	2.0	4,009-4,874	-	107
Bus Svc Ofcr I-Spec	-	-	3.0	3,658-4,446	-	146
Sr Pers Spec	-	-	1.0	3,658-4,446	-	49
Ofc Techn-Typing	-	-	5.0	2,686-3,264	-	179
Pers Spec	-	-	2.0	2,602-4,067	-	80
Dept of Finance Subject Experts:						
C.E.A. II	-	-	1.0	7,815-8,616	-	103
Prin Prog Budget Analyst III	-	-	6.0	7,465-8,230	-	692
DP Mgr III	-	-	1.0	7,118-8,239	-	99
Prin Prog Budget Analyst II	-	-	-	7,118-7,848	-	188
Supvng Adm Analyst-Spec	-	-	3.0	6,779-7,474	-	269
Acctg Administrator II	-	-	1.0	5,576-6,727	-	81
Sr Adm Analyst-Spec	-	-	4.0	5,576-6,727	-	323
Sr Programmer Analyst-Spec	-	-	1.0	5,571-7,109	-	85
Staff Finance Budget Analyst	-	-	1.0	5,332-6,433	-	77
Staff Adm Analyst-Spec	-	-	3.0	5,079-6,127	-	221
Partial Year Adjustment	-	-	-9.0	-	-	-830
Department of Finance Compensation	-	-	-	-	-	145
Project Retention Pay	-	-	-	-	-	19
Regular Overtime	-	-	-	-	-	100
Totals, Proposed New Positions	-	-	49.6	\$-	\$-	\$3,891
Total Adjustments	-	10.1	31.6	\$-	\$1,571	\$3,423
TOTALS, SALARIES AND WAGES	405.5	462.9	460.4	\$30,113	\$35,846	\$36,998

* Dollars in thousands, except in Salary Range.