

## 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		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Annual Financial Plan	141.9	144.5	144.4	\$22,364	\$22,990	\$22,874
15 Financial Information System for California (FISCal) Project Support	-	10.5	22.9	6,237	1,782	3,414
20 Program and Information System Assessments	97.4	97.1	97.1	13,387	12,337	14,720
30 Supportive Data	115.1	94.7	95.8	15,051	13,084	13,308
40.01 Administration	57.1	53.6	53.6	6,704	6,195	6,263
40.02 Distributed Administration	-	-	-	-6,704	-6,195	-6,263
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>411.5</b>	<b>400.4</b>	<b>413.8</b>	<b>\$57,039</b>	<b>\$50,193</b>	<b>\$54,316</b>
<b>FUNDING</b>				<b>2007-08*</b>	<b>2008-09*</b>	<b>2009-10*</b>
0001 General Fund				\$39,272	\$16,566	\$19,423
0494 Other Unallocated Special Funds				487	547	594
0797 Unallocated Bonds Funds - Select				107	120	130
0988 Various Other Unallocated Non-Governmental Cost Funds				287	327	355
0995 Reimbursements				16,886	16,920	21,181
6065 Local Streets & Road Improvement Congestion Relief & Traffic Safety Act of 2006 Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006				-	119	111
9740 Central Service Cost Recovery Fund				-	15,594	12,522
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$57,039</b>	<b>\$50,193</b>	<b>\$54,316</b>

### 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-Financial Information System for California (FISCal) Project Support:

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.

\* Dollars in thousands

## 8860 Department of Finance - Continued

## DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Workload Budget Adjustments</b>						
<b>Other Workload Budget Adjustments</b>						
• Price Increase	\$-	\$-	-	\$74	\$172	-
• Employee Compensation	16	33	-	27	57	-
• C.S. 3.60	-6	-13	-	-6	-13	-
• C.S. 15.25	13	-	-	13	-	-
• One-Time Cost Reductions	-	-	-	-8	-8	-
• Realign FSCU Funding	-	-	-	-76	76	-
• Carryover Appropriation, Ch. 182/07	300	-	-	-	-	-
• FI\$Cal - Full Year Costs of Approved 2008-09 BCP	-	-	-	-	2,248	19.9
• Transfer Administrative Support to FI\$Cal Project	-	-2,635	-31.0	-	-3,250	-39.0
• Transfer FI\$Cal Subject-Matter Expert to OCIO	-	-133	-1.0	-	-133	-1.0
• OSAE Bond Audits	-	-	-	-	2,342	-
• Central Service Cost Recovery Fund Baseline Adjustment	-	-	-	3,058	-3,058	-
• Fund Shift for Incremental Baseline Adjustments	-	-	-	98	-98	-
<b>Totals, Other Workload Budget Adjustments</b>	<b>\$323</b>	<b>-\$2,748</b>	<b>-32.0</b>	<b>\$3,180</b>	<b>-\$1,665</b>	<b>-20.1</b>
<b>Totals, Workload Budget Adjustments</b>	<b>\$323</b>	<b>-\$2,748</b>	<b>-32.0</b>	<b>\$3,180</b>	<b>-\$1,665</b>	<b>-20.1</b>
<b>Policy Adjustments</b>						
• 2010 Census State Activities and Outreach	\$-	\$-	-	\$-	\$182	1.0
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>\$182</b>	<b>1.0</b>
<b>Totals, Budget Adjustments</b>	<b>\$323</b>	<b>-\$2,748</b>	<b>-32.0</b>	<b>\$3,180</b>	<b>-\$1,483</b>	<b>-19.1</b>

## PROGRAM DESCRIPTIONS (Program Objectives Statement)

## 10 - ANNUAL FINANCIAL PLAN

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 - FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA (FI\$Cal) PROJECT SUPPORT

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, FI\$Cal. This program includes Department of Finance subject-matter experts assigned to the FI\$Cal Project.

## 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.

## 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.

\* Dollars in thousands

## 8860 Department of Finance - Continued

## DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2007-08*	2008-09*	2009-10*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 ANNUAL FINANCIAL PLAN</b>			
<b>State Operations:</b>			
0001 General Fund	\$19,345	\$9,799	\$11,982
0995 Reimbursements	3,019	2,756	2,784
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	119	111
9740 Central Service Cost Recovery Fund	-	10,316	7,997
<b>Totals, State Operations</b>	<b>\$22,364</b>	<b>\$22,990</b>	<b>\$22,874</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>10.10 Preparation</b>	<b>\$8,235</b>	<b>\$8,642</b>	<b>\$8,577</b>
<b>State Operations:</b>			
0001 General Fund	8,235	4,084	5,117
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	59	55
9740 Central Service Cost Recovery Fund	-	4,499	3,405
<b>10.20 Enactment</b>	<b>\$3,583</b>	<b>\$3,934</b>	<b>\$3,897</b>
<b>State Operations:</b>			
0001 General Fund	3,583	1,931	2,317
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	37	35
9740 Central Service Cost Recovery Fund	-	1,966	1,545
<b>10.30 Support and Direction</b>	<b>\$7,083</b>	<b>\$6,818</b>	<b>\$6,781</b>
<b>State Operations:</b>			
0001 General Fund	4,064	2,010	2,386
0995 Reimbursements	3,019	2,756	2,784
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	7	6
9740 Central Service Cost Recovery Fund	-	2,045	1,605
<b>10.40 Legislation and Intergovernmental Relations</b>	<b>\$3,463</b>	<b>\$3,596</b>	<b>\$3,619</b>
<b>State Operations:</b>			
0001 General Fund	3,463	1,774	2,162
6065 Local Streets & Road Improvement Congestion Relief, & Traffic Safety Acct of 2006, Highway Safety, Traffic Reduction, Air Quality & Port Security Fd of 2006	-	16	15
9740 Central Service Cost Recovery Fund	-	1,806	1,442
<b>PROGRAM REQUIREMENTS</b>			
<b>15 FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA (FISCaI) PROJECT SUPPORT</b>			
<b>State Operations:</b>			
0001 General Fund	\$6,237	\$-	\$-
0995 Reimbursements	-	1,782	3,414
<b>Totals, State Operations</b>	<b>\$6,237</b>	<b>\$1,782</b>	<b>\$3,414</b>
<b>PROGRAM REQUIREMENTS</b>			

\* Dollars in thousands

## 8860 Department of Finance - Continued

	2007-08*	2008-09*	2009-10*
<b>20 PROGRAM AND INFORMATION SYSTEM ASSESSMENTS</b>			
<b>State Operations:</b>			
0001 General Fund	\$4,921	\$2,643	\$3,131
0995 Reimbursements	8,466	7,004	9,433
9740 Central Service Cost Recovery Fund	-	2,690	2,156
<b>Totals, State Operations</b>	<b>\$13,387</b>	<b>\$12,337</b>	<b>\$14,720</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>20.25 Office of State Audits and Evaluations</b>	<b>\$11,507</b>	<b>\$12,337</b>	<b>\$14,720</b>
<b>State Operations:</b>			
0001 General Fund	3,253	2,643	3,131
0995 Reimbursements	8,254	7,004	9,433
9740 Central Service Cost Recovery Fund	-	2,690	2,156
<b>20.28 Performance Review</b>	<b>\$422</b>	<b>\$-</b>	<b>\$-</b>
<b>State Operations:</b>			
0001 General Fund	218	-	-
0995 Reimbursements	204	-	-
<b>20.30 Technology Oversight and Security</b>	<b>\$1,458</b>	<b>\$-</b>	<b>\$-</b>
<b>State Operations:</b>			
0001 General Fund	1,450	-	-
0995 Reimbursements	8	-	-
<b>PROGRAM REQUIREMENTS</b>			
<b>30 SUPPORTIVE DATA</b>			
<b>State Operations:</b>			
0001 General Fund	\$8,769	\$4,124	\$4,310
0494 Other Unallocated Special Funds	487	547	594
0797 Unallocated Bond Funds - Select	107	120	130
0988 Various Other Unallocated Non-Governmental Cost Funds	287	327	355
0995 Reimbursements	5,401	5,378	5,550
9740 Central Service Cost Recovery Fund	-	2,588	2,369
<b>Totals, State Operations</b>	<b>\$15,051</b>	<b>\$13,084</b>	<b>\$13,308</b>
<b>ELEMENT REQUIREMENTS</b>			
<b>30.11 Statewide and Departmental Fiscal Reporting</b>	<b>\$2,314</b>	<b>\$2,215</b>	<b>\$2,237</b>
<b>State Operations:</b>			
0001 General Fund	2,314	1,098	1,297
0995 Reimbursements	-	-	-
9740 Central Service Cost Recovery Fund	-	1,117	940
<b>30.12 CALSTARS</b>	<b>\$5,487</b>	<b>\$5,451</b>	<b>\$5,449</b>
<b>State Operations:</b>			
0001 General Fund	140	60	75
0995 Reimbursements	5,347	5,330	5,320
9740 Central Service Cost Recovery Fund	-	61	54
<b>30.20 Economic Research</b>	<b>\$409</b>	<b>\$424</b>	<b>\$429</b>
<b>State Operations:</b>			
0001 General Fund	409	254	249
9740 Central Service Cost Recovery Fund	-	170	180
<b>30.30 Revenue Estimating and Tax Research</b>	<b>\$967</b>	<b>\$1,005</b>	<b>\$1,015</b>
<b>State Operations:</b>			

\* Dollars in thousands

## 8860 Department of Finance - Continued

	2007-08*	2008-09*	2009-10*
0001 General Fund	967	688	589
9740 Central Service Cost Recovery Fund	-	317	426
<b>30.40 Demographic Research</b>	<b>\$3,352</b>	<b>\$1,835</b>	<b>\$2,019</b>
<b>State Operations:</b>			
0001 General Fund	3,338	907	1,063
0995 Reimbursements	14	5	187
9740 Central Service Cost Recovery Fund	-	923	769
<b>30.50 Fiscal Systems and Consulting</b>	<b>\$2,522</b>	<b>\$2,154</b>	<b>\$2,159</b>
<b>State Operations:</b>			
0001 General Fund	1,601	1,117	1,037
0494 Other Unallocated Special Funds	487	547	594
0797 Unallocated Bond Funds - Select	107	120	130
0988 Various Other Unallocated Non-Governmental Cost Funds	287	327	355
0995 Reimbursements	40	43	43
<b>ELEMENT REQUIREMENTS</b>			
<b>40.01 Administration</b>	<b>\$6,704</b>	<b>\$6,195</b>	<b>\$6,263</b>
<b>State Operations:</b>			
0001 General Fund	6,704	3,070	3,758
9740 Central Service Cost Recovery Fund	-	3,125	2,505
<b>40.02 Distributed Administration</b>	<b>-\$6,704</b>	<b>-\$6,195</b>	<b>-\$6,263</b>
<b>State Operations:</b>			
0001 General Fund	-6,704	-3,070	-3,758
9740 Central Service Cost Recovery Fund	-	-3,125	-2,505
<b>TOTALS, EXPENDITURES</b>			
State Operations	57,039	50,193	54,316
<b>Totals, Expenditures</b>	<b>\$57,039</b>	<b>\$50,193</b>	<b>\$54,316</b>

## EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	411.5	450.8	471.8	\$33,047	\$35,422	\$37,496
Total Adjustments	-	-32.0	-39.0	-	-1,748	-2,125
Estimated Salary Savings	-	-18.4	-19.0	-	-1,452	-1,525
<b>Net Totals, Salaries and Wages</b>	<b>411.5</b>	<b>400.4</b>	<b>413.8</b>	<b>\$33,047</b>	<b>\$32,222</b>	<b>\$33,846</b>
Staff Benefits	-	-	-	10,539	10,753	11,400
<b>Totals, Personal Services</b>	<b>411.5</b>	<b>400.4</b>	<b>413.8</b>	<b>\$43,586</b>	<b>\$42,975</b>	<b>\$45,246</b>
OPERATING EXPENSES AND EQUIPMENT				\$13,453	\$7,218	\$9,070
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$57,039</b>	<b>\$50,193</b>	<b>\$54,316</b>

## DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	\$36,563	\$-	\$-

\* Dollars in thousands

## 8860 Department of Finance - Continued

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
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 as amended by Chapter 269, Statutes of 2008	-	16,243	-
Allocation for employee compensation	-	16	-
Adjustment per Section 3.60	-	-6	-
Adjustment per Section 15.25	-	13	-
001 Budget Act appropriation	-	-	19,423
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:			
Chapter 182, Statutes of 2007	-	300	-
<b>Totals Available</b>	<b>\$44,452</b>	<b>\$16,566</b>	<b>\$19,423</b>
Unexpended balance, estimated savings	-4,880	-	-
Balance available in subsequent years	-300	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$39,272</b>	<b>\$16,566</b>	<b>\$19,423</b>
<b>0494 Other Unallocated Special Funds</b>			
APPROPRIATIONS			
011 Budget Act appropriation	\$587	\$547	\$594
Allocation for employee compensation	12	-	-
Adjustment per Section 3.60	-1	-	-
<b>Totals Available</b>	<b>\$598</b>	<b>\$547</b>	<b>\$594</b>
Unexpended balance, estimated savings	-111	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$487</b>	<b>\$547</b>	<b>\$594</b>
<b>0797 Unallocated Bonds Funds - Select</b>			
APPROPRIATIONS			
011 Budget Act appropriation	\$127	\$120	\$130
Allocation for employee compensation	3	-	-
<b>Totals Available</b>	<b>\$130</b>	<b>\$120</b>	<b>\$130</b>
Unexpended balance, estimated savings	-23	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$107</b>	<b>\$120</b>	<b>\$130</b>
<b>0988 Various Other Unallocated Non-Governmental Cost Funds</b>			
APPROPRIATIONS			
011 Budget Act appropriation	\$352	\$327	\$355
Allocation for employee compensation	7	-	-
Adjustment per Section 3.60	-1	-	-
<b>Totals Available</b>	<b>\$358</b>	<b>\$327</b>	<b>\$355</b>
Unexpended balance, estimated savings	-71	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$287</b>	<b>\$327</b>	<b>\$355</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$16,886	\$16,920	\$21,181
<b>6065 Local Streets &amp; Road Improvement Congestion Relief &amp; Traffic Safety Acct of 2006</b>			
<b>Highway Safety, Traffic Reduction, Air Quality &amp; Port Security Fd of 2006</b>			
APPROPRIATIONS			

\* Dollars in thousands

## 8860 Department of Finance - Continued

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
001 Budget Act appropriation	\$-	\$119	\$111
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$119</b>	<b>\$111</b>
<b>9740 Central Service Cost Recovery Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$-	\$15,584	\$12,522
Allocation for employee compensation	-	16	-
Adjustment per Section 3.60	-	-6	-
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$15,594</b>	<b>\$12,522</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$57,039</b>	<b>\$50,193</b>	<b>\$54,316</b>

## FUND CONDITION STATEMENTS

	2007-08*	2008-09*	2009-10*
<b>1016 Debt Retirement Fund <sup>s</sup></b>			
BEGINNING BALANCE	-	-	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
161500 Bond Proceeds	-	-	\$5,000,000
Transfers and Other Adjustments:			
FO0562 From State Lottery Fund per Chapter 1654, Statutes of 2008	-	-	1,142,651
Total Revenues, Transfers, and Other Adjustments	-	-	\$6,142,651
Total Resources	-	-	\$6,142,651
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
9901 Various Departments (Unclassified)	-	-	6,142,651
Total Expenditures and Expenditure Adjustments	-	-	\$6,142,651
FUND BALANCE	-	-	-

\* Dollars in thousands