

5% Base Budget Reduction Form
17-7-111-3(f)

AGENCY CODE & NAME: 61010 Department of Administration

		Minimum Requirement	
		General Fund	State Special Revenue Fund
TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET		\$ 1,918,949	\$ 250,917
Priority	SERVICE(S) TO BE ELIMINATED OR REDUCED	General Fund Annual Savings	State Special Revenue Annual Savings
1	Director's Office	\$ 1,638,990	
2	SFSD	\$ 86,686	
3	SHRD	\$ 109,995	
4	MTAB	\$ 3,297	
5	Banking		\$ 234,706
6	SPD	\$ 79,981.0	\$ 16,211.0
7			
8			
9			
10			
11	TOTAL SAVINGS	\$ 1,918,949	\$ 250,917
	DIFFERENCE	0	0

Pulling in MMR statutory transfers, Per Ryan E, reduce MMR transfer as that's only choice.

5% Base Budget Reduction Form

AGENCY CODE & NAME: 61010 DOA Director's Office

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Reduction of LRBP Major Repair Account transfer (MMR 05007)

#2 THE SAVINGS THAT ARE EXPECTED: \$1,918,949

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Not being able to meet statutory transfer obligations laid out in HB553.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Reduces transfer amount to A&E MMR.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes - MCA 17-7-205; 17-7-221; 17-7-222 Major Repair LRBP

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 61010 DOA SFSD

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Technical assistance to local governments would be reduced. If funds are available, General Fund would possibly fund some of their expenses with other funding sources (06 funds).

#2 THE SAVINGS THAT ARE EXPECTED:

Estimated annual costs savings is \$86,686 for the General Fund.

#3

THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Local governments would not receive training or technical assistance.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Conversations with MACO and MLCT would help. Possibly transfer some of the technical assistance to the MSU Local Government Center where they are trying to increase their appropriation and capacity to provide training, mostly in the policy area.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No.

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME:

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Reduction or delays in: a) the number of position classifications, b) policy and rule updates, c) salary market analysis, d) service to agencies in support of appeals, grievances and disciplinary matters, and recruitment and selection processes, e) service to agency requesting salary-increase requests that need to be reviewed prior to submission to OBPP, f) labor relations support, and g) enterprise workforce initiatives.

#2 THE SAVINGS THAT ARE EXPECTED: ~~\$109,995~~

\$109,995, which is approximately 5% of general fund budget.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Slower response to agency requests for support in classification, compensation, recruitment, personnel actions, labor relations and other HR support; outdated policies or rules not in compliance with state and federal regulations creating increased liability for the State; delayed agency representation during appeals and grievances; duplication of services at agency level; delay reviewing salary-increase requests for submission to OBPP for approval ; decline in support to agency HR offices potentially creating increase risk for the State

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Some of the services provided such as classification could be replaced by consultants but at a higher cost; agencies may need to redesign work processes to accommodate the lack of support from State HR; potential recruitment and retention issues, particularly with salary increases to retain employees being delayed; negatively impact the amount and effectiveness of enterprise initiatives led by State HR, potential increase risk in the HR scope for agencies due to the limited ability of State HR to provide support to them on HR related situations.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME:

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION OR* REDUCTION:

Board member out-of-state travel for training.

#2 THE SAVINGS THAT ARE EXPECTED:

\$3,297

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION OR* REDUCTION:

Board would shift to web-based training.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Minimal, self-study and web-based training.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No.

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 61010 DOA Banking Division

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Eliminate \$234,706 from the Personal Services Budget.

#2 THE SAVINGS THAT ARE EXPECTED:

For the 5% reduction, personal services is reduced by \$234,706

#3

THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Loss of personal services funding would create an extreme hardship on the Division. All positions are filled which means the Division would have to RIF three trained examiners. Not only would this cause a significant loss in expertise, the Division spends significant amounts of money training examiners and losing three trained examiners would cost the Division significant additional money later in order to try to replace this knowledge. Failure to have enough trained and qualified examiners could result in an inability to examine all state-chartered banks and credit unions on the statutorily required basis. This loss in positions could also jeopardize the Division's ability to maintain its bank and mortgage accreditation. Examinations are critical to maintaining the safety and soundness of Montana's financial institutions, particularly in times like these where economic challenges lead to more loans being past due and more risk in the financial services system. Without adequate supervision, constituents could experience increased risk at local lending institutions and changes in local bank services. The loss of this funding would also create a greater strain on remaining examination staff resulting in increased overtime and travel which would result in higher fees charged to licensees and ultimately leads to greater turnover due to burnout in experienced examiners.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

There are no mitigation options that can compensate for the loss of a trained examiner. The Division is continuously working on an electronic examination format that will reduce the number of examiners that are required to be onsite during an examination.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes - 32-1-211, MCA and 32-3-203, MCA

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME:

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Personal Services and procurement services to agencies.

#2 THE SAVINGS THAT ARE EXPECTED:

\$79,981 General Fund, \$16,211 State Special.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

If SPSD had to reduce personal services, it would result in longer turnaround time for solicitations and resulting contracts, longer turnaround time for contract renewals, amendment Longer turnaround for responses to eMACS help desk questions and assistance

Reduced pcard management oversight (will likely need to cancel Card Integrity contract), reduced management and oversight of collection of admin fees, which is about \$2 million annually, much of what goes into the General Fund.

#4

HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:

There are no mitigation options that can compensate for the loss trained procurement staff.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Montana Procurement Act 18-4-221

Form B