

Memorandum 87-65

Subject: Commission's Budget for 1988-89

The Commission's budget for the 1988-89 fiscal year must be submitted to the Department of Finance by September 1987. Because our accounting officer in the Department of General Services prepares the budget in proper form to be submitted to the Department of Finance, we must provide our accounting officer with the draft of our budget in August.

Revised Budget for 1987-88 Fiscal Year

The budget will revise the budget for the current fiscal year (1987-88) to make any necessary changes in light of our experience during the past fiscal year. Attached as Exhibit 1 is the staff proposed revised budget for 1987-88.

The budget as approved by the Commission and as submitted by the Governor was reduced by \$5,000 pursuant to the decision of the Governor to reduce all budgets for 1987-88 by one percent. The revised budget recognizes this \$5,000 reduction. The revised budget also makes other transfers within budget categories so that the estimated expenditures for 1987-88 are more accurate in light of experience during 1986-87. For purpose of comparison, the detail of the actual expenditures for 1986-87 is shown on the second page of this Exhibit.

The revised budget transfers \$3,000 from other budget categories into "Equipment." The equipment is hardware needed to enhance the effectiveness of our Wang PC. Last year we paid over \$15,000 for accounting service by the Department of General Services. We were audited and the auditor was critical because we were unable to verify the accuracy of the reports produced by the Department of General Services from our own records. Our new administrative assistant has excellent computer skills, but our present equipment will not enable us efficiently to maintain and verify accounting records and reports. Our administrative assistant reports:

In using the Wang PC in its present form, time is being lost in performing routine operations due to the way the machine is set up (2 floppy disk drives, no hard disk, no direct printer). The hardware upgrade needed to save this lost time consists of a hard disk drive, controller card, and matrix printer. The cost of the needed hardware is approximately \$3,000.

In connection with expenditures for the past year, it should be noted that unbudgeted salary savings of more than \$23,000 were realized because one experienced word processor was on maternity leave and her position was filled by temporary help and the position of administrative assistant was vacant for a number of months. Most of these salary savings were transferred into printing and will be used to print Commission reports now being prepared. About \$6,000 of the salary savings were used for Commissioners' compensation (\$100 per meeting day); the Commission has increased the number of its meeting days in its effort to complete work on the new Probate Code. Salary savings of this magnitude will not be repeated during 1987-88, since we have filled the position of administrative assistant and we anticipate that our experienced word processor will soon return from maternity leave.

Proposed Budget for 1988-89 Fiscal Year

The proposed budget for 1988-89 is set out in Exhibits 2 and 3. The budget is in the same total amount as the budget for the current year and closely follows the amounts in the revised budget for 1987-88.

We may need to make a few technical revisions in this budget when we receive the technical instructions from the Department of Finance (such as the directions on computing the amount of "Staff Benefits"). If the Department of Finance authorizes us to expend more than the amount set out in the budget, we would increase the printing category.

Request to Department of Finance for Additional Funds for 1988-89

Fiscal Year to Permit Purchase of New Copying Machine.

The staff recommends that the Commission request additional funds to purchase a new copying machine. The amount needed is approximately \$26,500.

Strict regulations govern the kind of machine we can acquire, depending primarily on the number of copies we run and other factors. We must obtain approval from the Department of General Services as to the particular kind and model we purchase.

We expect that the Department of Finance will take a dim view on requests for additional funds. Nevertheless, a new copying machine is essential and cannot be financed from available funds which are barely sufficient to maintain our work without a significant reduction in the level of our activity.

We have run more than 3 million copies on our current Xerox machine. The machine was a rebuilt machine we purchased in 1979. It breaks down frequently during heavy use--and too often under time deadlines (for instance, when we are copying meeting materials to send out prior to meetings).

We had budgeted funds to acquire a new machine in our budget for 1986-87; but, when the Governor ordered a two percent reduction in the amount appropriated for expenditure during 1986-87, we had to abandon our plans to purchase a new machine that year. We are very concerned that we will not be able to continue to use the existing machine until funds become available during 1988-89 to purchase a new one (assuming that the Department of Finance will grant us an additional approximately \$26,500 to purchase a new machine during 1988-89).

Respectfully submitted,

John H. DeMouilly
Executive Secretary

REVISED 1987-88 BUDGET

Note. A revision of the 1987-88 Budget is necessary to realize a reduction of \$5,000 ("Special Adjustment") which was made by the Governor after the Commission's budget had been prepared and approved by the Department of Finance. The \$5,000 reduction was made as a result of the Governor's decision to reduce all budgets by one percent.

Other revisions are explained in the note following the budget set out below.

	Actual 1986-87	Budgeted 1987-88	Revised 1987-88
<u>PERSONAL SERVICES</u>			
Authorized Positions	\$311,221	\$340,886	\$340,886
Staff Benefits	75,526	85,000	85,000
Estimated Salary Savings		(12,000)	(12,000)
TOTAL PERSONAL SERVICES	386,747	413,886	413,886
<u>OPERATING EXPENSE AND EQUIPMENT</u>			
General Expense	13,027	15,000	15,000
Printing	46,018	18,000	18,000
Communications - Telephone	3,384	6,000	4,000
Postage	6,915	7,000	7,000
Travel-in-State	14,009	15,000	15,000
Travel-Out-of-State	0	2,000	0
Facilities Operations	16,303	18,000	18,000
Cont.& Prof. Services-Interdept.	20,516	19,000	20,000
Cont.& Prof. Services-External	10,814	15,000	10,000
Equipment	681	0	3,000
TOTAL OPERATING EXPENSE AND EQUIPMENT	131,667	115,000	110,000
<u>SPECIAL ADJUSTMENT</u>		(5,000)	
<u>TOTAL AGENCY EXPENDITURES</u>	518,414	523,886	523,886

Note. The \$5,000 "Special Adjustment" reduction is realized by reducing Communications by \$2,000 and Contracts & Professional Services--External by \$3,000. Contracts & Professional Services--Interdepartmental is increased \$1,000 by transfer of that amount from Contracts and Professional Services--External, this transfer being necessary to cover the charge to the Commission for accounting and personnel services provided by the Department of General Services. \$3,000 is transferred into equipment to cover the cost of a Wang PC Upgrade, \$2,000 of this amount being transferred from Travel--Out-of-State (Uniform Laws Commission meets in California in 1987), and \$1,000 being transferred from Contracts and Professional Services--External.

DETAIL OF EXPENDITURES FOR 1986-87 FISCAL YEAR

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(Based on best information available on July 15, 1987)

<u>DESCRIPTION</u>	<u>BUDGET</u> <u>ALLOTMENTS</u>	<u>TOTAL</u> <u>EXPENDED</u>	<u>BALANCE</u>
<u>PERSONAL SERVICES</u>			
Staff Salaries - Permanent	\$317,216	\$288,443	\$28,773
Commissioners' Compensation	4,200	8,150	(3,950)
Temporary Help	16,222	14,628	1,594
Staff Benefits	84,529	75,526	9,003
Salary Savings	(12,000)		(12,000)
TOTAL PERSONAL SERVICES	410,167	386,747	23,420
<u>OPERATING EXPENSE AND EQUIPMENT</u>			
General Expense	15,000	13,027	1,973
Employee Relocation		4,502	
Office Supplies		4,395	
Freight & Drayage		45	
Purchased Clerical & Non-Prof. Services		136	
Meetings & Conference (meeting room rental)		1,371	
Library Purchases & Subscriptions		1,256	
Minor Equipment		195	
Office Equipment Rental		1,127	
Printing	17,280	46,018	(28,738)
Photocopy Paper		4,173	
Copier Maintenance		6,286	
Printed Forms, Cards & Stationery		343	
Books & Binding		35,216*	
Communications - Telephone	6,000	3,384	2,616
Postage	8,000	6,915	1,085
Travel-in-State	16,000	14,009	1,991
Per Diem		3,092	
Com'l Air Transportation		4,098	
Private Car		2,351	
Board Member		4,477	
Travel-Out-of-State	2,000	0	2,000
Training	0	120	(120)
Facilities Operations	18,000	16,303	1,697
Building Rental		15,480	
State Police - Security		582	
Facilities Planning - Gen Svcs		241	
Cont.& Prof. Services-Interdept.	19,000	20,396	(1,396)
Contracted Fiscal - Accounting		15,337	
Contracted Personnel Services		5,059	
Cont.& Prof. Services-External	7,000	10,814	(3,814)
Contracts with Consultants		5,000	
Wang Equipment Maintenance		5,814	
Equipment	0	681	(681)
Wang DP Equip Upgrade		681	
TOTAL OPERATING EXPENSE			
AND EQUIPMENT	108,280	\$131,667	(23,387)
<u>TOTAL AGENCY EXPENDITURES</u>	518,447**	\$518,414	\$33

*The amount for printing does not include the cost of printing a publication for the Continuing Education of the Bar. This publication cost approximately \$9,000, and CEB reimbursed the State for the cost of printing the publication.

**The amount for the Commission in the budget submitted by the Governor for 1986-87 was \$536,000. The budget act reduced this amount by \$6,833 and the Governor ordered a two percent reduction in all state budgets (the amount of the reduction for the Commission was \$10,720), resulting in \$518,447 being available for expenditure in 1986-87.

PROPOSED BUDGET FOR 1988-89

	Actual 1986-87	Revised 1987-88	Proposed 1988-89
<u>PERSONAL SERVICES</u>			
Authorized Positions	\$311,221	\$340,886	\$340,886
Staff Benefits	75,526	85,000	85,000
Estimated Salary Savings		(12,000)	(12,000)
TOTAL PERSONAL SERVICES	386,747	413,886	413,886
<u>OPERATING EXPENSE AND EQUIPMENT</u>			
General Expense	13,027	15,000	15,000
Printing	46,018	18,000	18,000
Communications - Telephone	3,384	4,000	4,000
Postage	6,915	7,000	7,000
Travel-in-State	14,009	15,000	15,000
Travel-Out-of-State	0	0	2,000
Facilities Operations	16,303	18,000	18,000
Cont. & Prof. Services-Interdept.	20,516	20,000	20,000
Cont. & Prof. Services-External	10,814	10,000	11,000
Equipment	681	3,000	0*
TOTAL OPERATING EXPENSE AND EQUIPMENT	131,667	110,000	110,000
<u>TOTAL AGENCY EXPENDITURES</u>	518,414	523,886	523,886⁺

*Budget Changes Proposal for purchase of equipment to be submitted for 1988-89.

⁺Any additional moneys allowed by Department of Finance in excess of \$523,886 would be allocated to printing.

FILLED, AUTHORIZED, AND PROPOSED POSITIONS

CLASS TITLE	Filled 1986-87	Authorized 1987-88	Proposed 1988-89
Commission Members (7) - per diem..	--	--	--
Executive Secretary.....	1	1	1
Assistant Executive Secretary.....	1	1	1
Staff Counsel II.....	1.8	2	2
Staff Services Analyst.....	1	1	1
Sr. Word Processing Technician.....	1	1	1
Word Processing Technician.....	0.5	1	1
Office Assistant II - Typing.....	0.5	--	--
Temporary Help.....	0.67	1	1
TOTALS - AUTHORIZED POSITIONS.	7.47	8	8
Salary Savings		0.3	0.3
TOTAL - NET ACTUAL POSITIONS	7.47	7.7	7.7

AUTHORIZED POSITIONS

CLASS TITLE	Actual 1986-87	Budgeted 1987-88	Revised 1987-88	Proposed 1988-89
Comm. Members Compens. \$	8,150	\$ 4,200	\$ 14,000	\$ 14,000
Executive Secretary.....	66,516	66,516	71,196	71,196
Asst. Exec. Sec.	64,692	64,692	64,692	64,692
Staff Counsel II.....	95,403	109,032	109,032	109,032
Staff Services Analyst...	26,700	37,656	27,784	31,692
Sr. Word Proc. Tech.	23,232	23,064	23,064	23,064
Word Proc. Tech.	9,579	19,499	18,828	19,499
Office Asst II - Typing	9,563	--	--	--
Temporary Help	7,386	16,227	12,290	7,711
TOTALS-AUTH. POSITIONS	311,221	340,886	340,886	340,886

Note. Amount for Salaries for 1988-89 includes merit salary increases. The salary increase for the position of Executive Secretary (which was approved by Commission about five months ago) is budgeted for 1987-88 and 1988-89. (We have just been advised by the Department of Personnel Administration that the department has approved this increase, but the increase has not yet been put into effect.)

Almost \$10,000 additional is provided for Commissioner's compensation to cover anticipated cost based on experience in 1986-87.

Salary savings are budgeted at \$12,000. (The budgeted salary savings--\$12,000-- are achieved by one Staff Counsel (Murphy) working on a 3/4 time basis rather than full time as authorized.)

It is anticipated that state employees will be granted a four percent pay increase, commencing on January 1, 1988. This increase, which is not shown in the amounts budgeted, will be funded by additional moneys to be allocated by the Department of Finance for this purpose in January 1988.