

RÉSUMÉ DIGEST

ACT 46 (HB 663)

2015 Regular Session

Fannin

Appropriates funds and provides for ancillary expenses of state government, including internal service funds, auxiliary accounts, and enterprise funds.

The Ancillary Appropriations Act consists of 12 budget units from five different departments, which assist state agencies in achieving their goals through the provision of needed services. 90% of the act's total funding is for three agencies - the Office of Group Benefits, the Office of Technology Services, and the Office of Risk Management. This year, the Office of State Procurement and Office of State Human Capital Management were also added to the act. The act appropriates total funding of \$2.2 billion as follows: \$554 million through Interagency Transfers, \$1.5 billion from Fees and Self-Generated Revenues, and \$121 million from Statutory Dedications. Appropriations to the budget units are as follows:

Office of Group Benefits	\$	1,461,073,794
Office of Risk Management	\$	187,560,093
Louisiana Property Assistance Agency	\$	5,981,970
Louisiana Federal Property Assistance Agency	\$	3,180,338
Prison Enterprises	\$	34,579,048
Office of Technology Services	\$	315,944,706
Division of Administrative Law	\$	7,362,594
Office of State Procurement	\$	9,500,022
Office of State Human Capital Management	\$	24,993,755
Office of Aircraft Services	\$	1,972,078
Clean Water State Revolving Fund	\$	85,000,000
Safe Drinking Water Revolving Loan Fund	\$	<u>34,000,000</u>
Total funding	\$	2,171,148,398

New law provides for the establishment and reestablishment of agency ancillary funds, to be specifically known as internal service funds, auxiliary accounts, or enterprise funds for certain state institutions, officials, and agencies. Requires the appropriated funds, to the extent deposited, unless otherwise specified, to be used for working capital in the conduct of business enterprises rendering public, auxiliary, and interagency services. Requires receipts from the conduct of such businesses to be deposited to the credit of each ancillary fund for FY 2015-2016. Requires all funds to be expended in accordance with public bid laws.

Requires, except as otherwise provided, any fund equity resulting from prior year operations be included as a resource of the fund from which it is derived. Provides that all funds on deposit with the state treasury at the close of the fiscal year are authorized to be transferred to each fund as equity for FY 2016-2017. Further provides that all unexpended cash balances as of June 30, 2016, shall be remitted to the state treasurer on or before Aug. 14, 2016. Further provides that if not reestablished in the subsequent year's Act, the agency must liquidate all assets and return all advances no later than Aug. 14, 2016.

Provides that the program descriptions contained in the Act are not enacted into law by virtue of their inclusion in the Act.

Provides that all money from federal, interagency, statutory dedications, or self-generated revenues of an agency be deemed available for expenditures in the amounts appropriated, and any increase in such revenues over the amounts appropriated shall only be available for expenditure by the agency with approval of the division of administration and the Joint Legislative Committee on the Budget (JLCB).

Provides that the number of employees approved for each agency may be increased by the commissioner of administration when appropriate documentation is deemed valid; however, any request which exceeds five positions requires approval of the division of administration and JLCB.

Requires any agency with an appropriation level of \$30 million or more to include positions within its table of organization which perform internal auditing services, including the

position of a chief audit executive responsible for adhering to the Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing.

Provides that the treasurer shall invest excess cash funds, excluding those arising from working capital advances, with the interest earned being credited to the account.

Authorizes the commissioner of administration to transfer functions, positions, assets, and funds between and within departments in conjunction with the continuing assessment of the existing staff, assets, contracts, and facilities of each department, agency, program or budget unit's information technology resources, procurement resources, and human capital resources, in order to optimize resources and provide cost savings. This authority does not apply to the Dept. of Culture, Recreation and Tourism, or any agency contained in Schedule 04, Elected Officials, of the General Appropriation Act.

Effective July 1, 2015.