

**Office of the Governor
Summary of Recommendations - Senate**

Section 1

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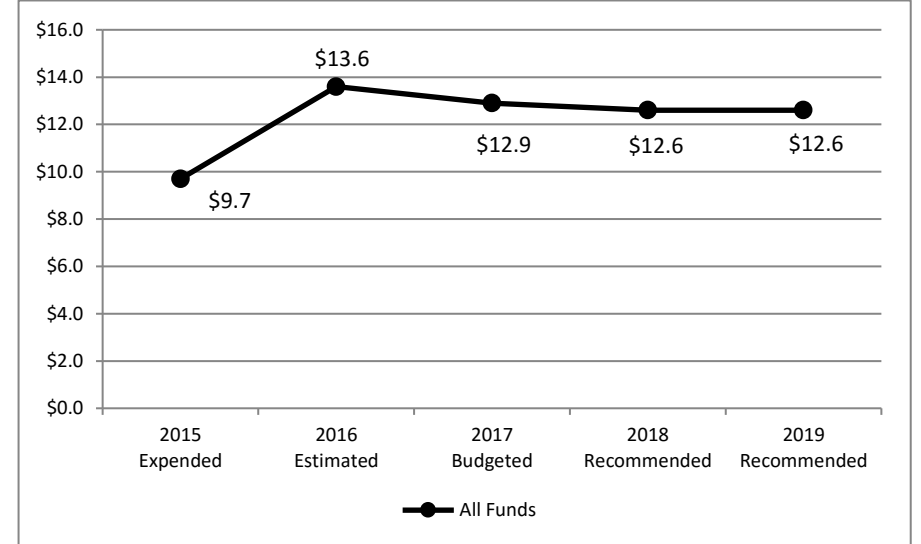
The Honorable Greg Abbott, Governor

Lara Bell, LBB Analyst

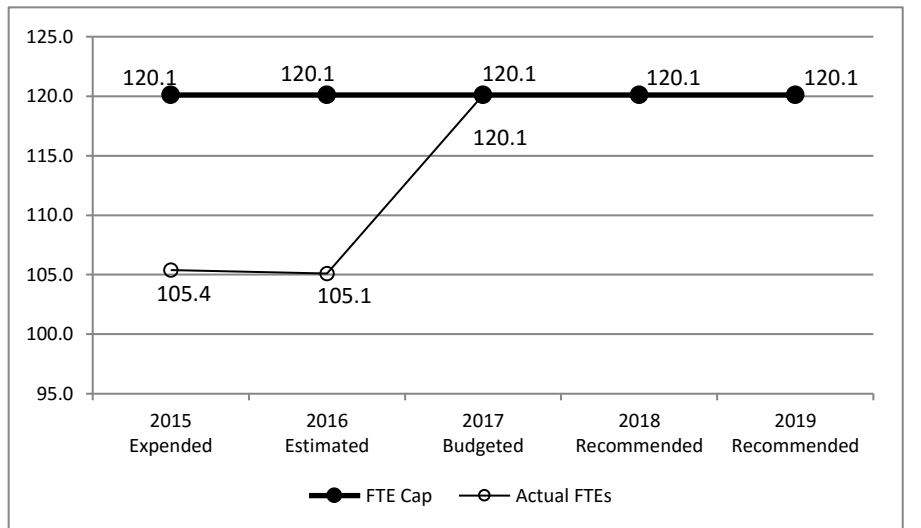
Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$25,920,567	\$24,883,744	(\$1,036,823)	(4.0%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$25,920,567</i>	<i>\$24,883,744</i>	<i>(\$1,036,823)</i>	<i>(4.0%)</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$540,000	\$320,000	(\$220,000)	(40.7%)
All Funds	\$26,460,567	\$25,203,744	(\$1,256,823)	(4.7%)

	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	120.1	120.1	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Office of the Governor
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Decreases in other operating expenses, professional services, other personnel costs, salaries, consumable supplies, and capital expenditures, pursuant to the four percent base reduction.	(\$1.0)	\$0.0	\$0.0	\$0.0	(\$1.0)	All Strategies
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
B)	Decrease interagency contract funds by \$200,000 to align with actual salary and benefits for the Texas Workforce Commission Investment Council Executive Director; and a decrease in appropriated receipts by \$20,000 to align funding with actual receipts collected.	\$0.0	\$0.0	\$0.0	(\$0.2)	(\$0.2)	A.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$1.0)	\$0.0	\$0.0	(\$0.2)	(\$1.2)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$1.0)	\$0.0	\$0.0	(\$0.2)	(\$1.2)	As Listed

NOTE: Totals may not sum due to rounding.

**Office of the Governor
Selected Fiscal and Policy Issues - Senate**

1. **Unexpended Balances (UB).** Recommendations include continuation of authority to carry forward UB within and between biennia. The agency reported in its 2016-17 base reconciliation carry forward of approximately \$4.7 million in General Revenue from fiscal year 2015 into the 2016-17 biennium. The agency's 2016-17 base reconciliation anticipated carry forward of \$2.0 million in General Revenue from fiscal year 2016 into fiscal year 2017. The agency estimated the UB at the end of fiscal year 2017 to be \$0.

A result of this estimated expenditure of \$4.7 million in UB in the 2016-17 biennium is the growth of the base, which serves as the basis of the 2018-19 request. Even after the four percent reduction, the 2018-19 recommendation is \$24.9 million, which is \$4.2 million more than 2016-17 appropriated levels (a 20 percent increase).

2. **Transfer of Appropriations and Full-Time Equivalents (FTEs).** Recommendations continue the authority to allow the transfer of appropriations and FTEs between the Office of the Governor and Trusteed Programs Within the Office of the Governor, and the transfer of appropriations and FTEs from the Office of the Governor and Trusteed Programs Within the Office of the Governor to other agencies, within limits established by Article IX, Section 14.01, Appropriation Transfers.

Office of the Governor
Items Not Included in Recommendations - Senate

		2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
		GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	None						
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TOTAL Items Not Included in Recommendations

Office of the Governor
Appendices - Senate

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* Appendix is not included - no significant information to report

Office of the Governor					
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS					
Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
SUPPORT GOVERNOR & STATE A.1.1	\$16,468,115	\$15,610,990	(\$857,125)	(5.2%)	Recommendations include: 1) \$637,125 decrease in General Revenue primarily for other operating expenses, salaries, benefits and professional services related to the 4 percent reduction. 2) \$200,000 decrease in Interagency Contract funds related to Texas Workforce Commission for salary and benefits for the Texas Workforce Commission Investment Council Executive Director, and 3) \$20,000 decrease in Appropriated Receipts by to align funding with actual receipts collected.
APPOINTMENTS A.1.2	\$2,479,666	\$2,380,480	(\$99,186)	(4.0%)	Recommendations include a decrease of \$99,186 in General Revenue primarily for salaries related to the 4 percent reduction.
COMMUNICATIONS A.1.3	\$6,141,892	\$5,896,216	(\$245,676)	(4.0%)	Recommendations include a decrease of \$245,676 in General Revenue primarily for salaries and other operating expenses related to the 4 percent reduction.
GOVERNOR'S MANSION A.1.4	\$1,370,894	\$1,316,058	(\$54,836)	(4.0%)	Recommendations include a decrease of \$54,836 in General Revenue primarily for salaries related to the 4 percent reduction.
Total, Goal A, GOVERN THE STATE	\$26,460,567	\$25,203,744	(\$1,256,823)	(4.7%)	
Grand Total, All Strategies	\$26,460,567	\$25,203,744	(\$1,256,823)	(4.7%)	

Office of the Governor
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Cap	120.1	120.1	120.1	120.1	120.1
Actual/Budgeted	105.4	105.1	120.1	NA	NA

Schedule of Exempt Positions (Cap)					
Governor, Group 6	\$150,000	\$153,750	\$153,750	\$153,750	\$153,750

Notes:
a) The agency is not requesting any changes to its exempt position. The State Auditor's Office Report (16-707, August 2016) does not address the Governor exempt position.

Office of the Governor
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs			
1)	Support Governor & State	Reduction would decrease funding to Strategy A.1.1, which provides support and assistance to the Governor.	\$1,529,098	\$1,529,098	0.0	\$0	10%	No
2)	Appointments	Reduction would decrease funding to Strategy A.1.2, which provides funding to develop and maintain a system of recruiting, screening and training.	\$238,048	\$238,048	0.0	\$0	10%	No
3)	Communications	Reduction would decrease funding to Strategy A.1.3, which provides funding to manage media relations for the Governor and the First Lady.	\$589,622	\$589,622	0.0	\$0	10%	No
4)	Governor's Mansion	Reduction would decrease funding to Strategy A.1.4, which provides funding to maintain and preserve the Governor's Mansion.	\$131,606	\$131,606	0.0	\$0	10%	No
TOTAL, 10% Reduction Options			\$2,488,374	\$2,488,374	0.0	\$0		