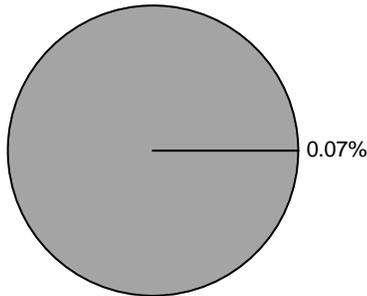


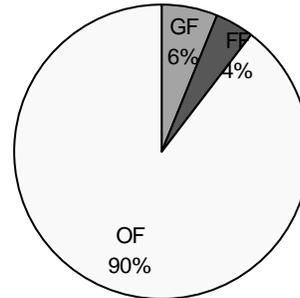
FY2007 Budget Briefing

Bureau of Personnel

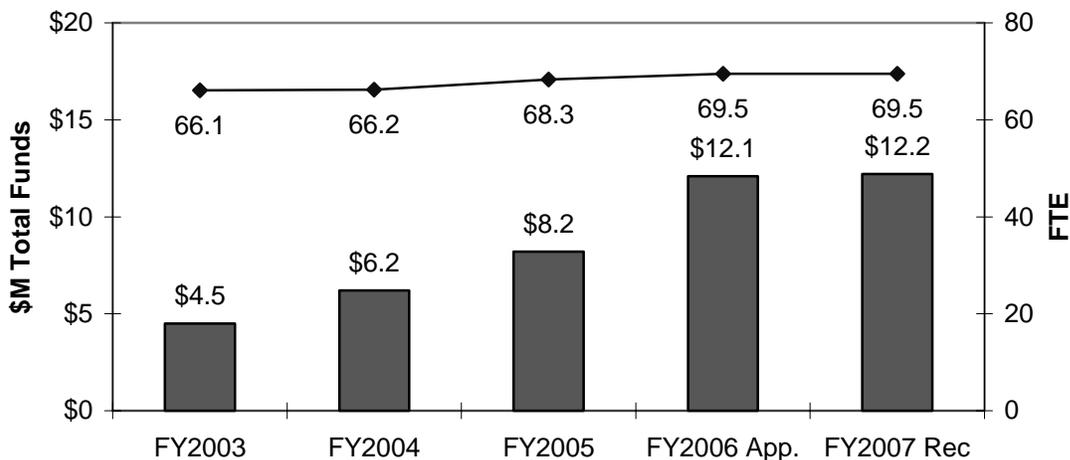
**Agency's Share of Total
Budgeted State General Fund FY2007**



Agency's Funding Source Split FY2007



Budget History



Key Responsibilities

The Bureau of Personnel, a part of the Department of Executive Management, manages the human resource programs in combination with the Career Service Commission and the Law Enforcement Civil Service Commission. The bureau establishes compensation levels and benefits. As manager of the civil service system, the bureau classifies positions in the executive branch, announces vacancies, screens applicants, provides training, and investigates labor issues. In the 2003 Special Session, the Legislature authorized the agency to administer a health insurance risk pool for those individuals who cannot otherwise obtain health insurance.

Key Personnel

- Sandra Zinter, Commissioner

Bureau Total

The Bureau of Personnel requests \$12,114,242 (\$909,287 from the State General Fund) and 69.5 FTE. This request is the same amount as what was approved for FY 2006. The Governor recommends \$12,236,883 (\$748,563 from the State General Fund). This is an increase of \$122,641 (1.0%) from FY2006 and the agency's request.

Item	Actual FY2005	Approved FY2006	Agency Req. FY2007	Gov. Rec. FY2007	Change From FY2006	% Change from FY2006
Personal Services	3,260,697	3,438,949	3,438,949	3,561,590	122,641	3.6%
Travel	93,746	71,500	71,500	71,500	-	0.0%
Contractual Services	1,679,844	2,103,025	2,103,025	2,103,025	-	0.0%
Supplies and Materials	214,079	248,186	248,186	248,186	-	0.0%
Capital Outlay	41,070	30,227	30,227	30,227	-	0.0%
Other	2,914,241	4,722,355	4,722,355	4,722,355	-	0.0%
Risk Pool Reserve	-	1,500,000	1,500,000	1,500,000	-	0.0%
TOTAL	8,203,677	12,114,242	12,114,242	12,236,883	122,641	1.0%
Funding Sources:						
General Funds	897,697	909,287	909,287	748,563	(160,724)	-17.7%
Federal Funds	150,003	507,915	507,915	500,000	(7,915)	0.0%
Other Funds	7,155,977	10,697,040	10,697,040	10,988,320	291,280	2.7%
TOTAL	8,203,677	12,114,242	12,114,242	12,236,883	122,641	1.0%
FTE	68.3	69.5	69.5	69.5	-	0.0%

The Governor's recommendation throughout this analysis also includes funding for Performance And Compensation Equity (PACE) movement of 2.5% for those employees who are paid under the job-worth of their pay range, a 3% across-the-board increase for all permanent employees, and an increase in the employer paid portion of the state health insurance plan. The recommended amounts for each segment of the compensation package are as follows:

	General Funds	Federal Funds	Other Funds	Total
2.5% PACE Movement	1,375	-	21,493	22,868
3% Across-the-Board	6,227	-	85,666	91,893
Health Insurance	1,438	-	20,566	22,004
Total	9,040	-	127,725	136,765

Major Expansion and Reductions

Budget Item	Agency Request			Governor's Recommendation		
	State General Fund	All Funds	FTE	State General Fund	All Funds	FTE
Total	-	-	0.0	-	-	0.0

No items are requested.

Personnel Management

The Bureau of Personnel, a part of the Department of Executive Management, establishes and manages the human resource programs in combination with the Career Service Commission and the Law Enforcement Civil Service Commission. The bureau establishes compensation levels and benefits. As manager of the civil service system, the bureau classifies positions in the executive branch, announces vacancies, screens applicants, provides training, and investigates labor issues.

The agency requests \$5,581,153 which includes \$404,926 from the State General Fund and \$5,176,227 from other funds. The agency also requests 69.5 FTEs. This request is the same amount as what was approved for FY2006. The Governor recommends \$5,715,650 which includes \$242,685 from the State General Fund and \$5,471,695 from other funds. This is an increase of \$134,497 (2.4%) from FY2006 and the agency's request.

Item	Actual FY2005	Approved FY2006	Agency Req. FY2007	Gov. Rec. FY2007	Change from FY2006	% Change from FY2006
Personal Services	3,209,103	3,368,215	3,368,215	3,502,712	134,497	4.0%
Travel	92,352	71,500	71,500	71,500	-	0.0%
Contractual Services	1,413,692	1,863,025	1,863,025	1,863,025	-	0.0%
Supplies and Materials	214,079	248,186	248,186	248,186	-	0.0%
Capital Outlay	41,070	30,227	30,227	30,227	-	0.0%
Other	301	-	-	-	-	0.0%
TOTAL	4,970,597	5,581,153	5,581,153	5,715,650	134,497	2.4%
Funding Sources:						
General Funds	396,368	404,926	404,926	243,685	(161,241)	-39.8%
Federal Funds	-	-	-	-	-	0.0%
Other Funds	4,574,229	5,176,227	5,176,227	5,471,965	295,738	5.7%
TOTAL	4,970,597	5,581,153	5,581,153	5,715,650	134,497	2.4%
FTE	67.2	69.5	69.5	69.5	-	0.0%

Revenues

Other Fund Revenue Sources

<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>FY2006 Estm.</u>	<u>FY2007 Estm.</u>	<u>% Change from FY2004</u>
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None reported

Selected Performance Indicators

	ACTUAL FY2004	ACTUAL FY2005	ESTIMATED FY2006	ESTIMATED FY2007
Commission Days/Rule Hearings	6, / 1	9, / 1	13 / 1	13 / 1
Applications Received/Avg. Per Register	21,432 / 18.6	17,741 / 18.97	18,000 / 19	18,000 / 19
Classifications Audits/Actions	185 / 562	233 / 723	235 / 725	235 / 725
Courses Offered/Participants	397 / 6,397	371 / 6,222	370 / 6,000	370 / 6,100
Insurance Plan Participants:				
Health: Employees, COBRA, Retirees/Dependents	12,535 / 10,856	12,853 / 11,093	12,910 / 11,159	12,910 / 11,159
Life: Employees, COBRA, Retirees/Supplemental	12,514 / 6,569	12,944 / 7,417	13,195 / 7,742	13,195 / 7,742
Health Plan Participants Screened	5,621	5,238	5,500	5,775
Number of People in Disease Mgt. Program	1,646	1,691	1,742	1,794
Flexible Benefits Participants	10,692	11,008	11,102	11,102
Flexible Benefits Salary Sheltered	17,729,348	19,095,965	20,405,306	21,425,571
Workers' Compensation Total Eligible	25,996	27,020	27,000	27,000
First Reports of Injury	1,824	2,144	1,900	1,900

South Dakota Risk Pool

In the 2003 Special Session, the Legislature authorized the creation of a health insurance risk pool for those individuals who cannot otherwise obtain health insurance. The risk pool program, codified at SDCL 58-17-113 to 58-17-141, inclusive, is administered by the agency.

A 7-member board was created by the Legislature to administer the Risk Pool. The Governor appoints the members from the Governor's Office, Department of Social Services, Bureau of Personnel, Department of Health, Division of Insurance, and 2 others. SDCL 58-17-119 requires the board to file a report with the Legislature by January 1 of each year. The report is to include information regarding the operation of the risk pool, assessments, number of enrollees, claims, expenses, and premiums. The source for the Reserve Fund was the release of previously encumbered money from the FY2002 State General Fund appropriation to the Department of Education.

The agency requests \$6,518,965 which includes \$502,610 from the State General Fund, \$500,000 from federal funds, and \$5,516,355 from other funds. The agency requests no FTE. This request is the same amount as what was approved for FY 2006. The Governor recommends \$6,521,233 which includes \$504,878 from the State General Fund, \$500,000 from federal funds, and \$5,516,355 from other funds.

Item	Actual FY2005	Approved FY2006	Agency Req. FY2007	Gov. Rec. FY2007	Change from FY2006	% Change from FY2006
Personal Services	51,594	56,610	56,610	58,878	2,268	4.0%
Travel	1,394	-	-	-	-	n / a
Contractual Services	266,152	240,000	240,000	240,000	-	0.0%
Other	2,913,939	4,722,355	4,722,355	4,722,355	-	0.0%
Risk Pool Reserve	-	1,500,000	1,500,000	1,500,000	-	0.0%
TOTAL	3,233,079	6,518,965	6,518,965	6,521,233	2,268	0.0%
Funding Sources:						
General Funds	501,329	502,610	502,610	504,878	2,268	0.5%
Federal Funds	150,003	500,000	500,000	500,000	-	0.0%
Other Funds	2,581,747	5,516,355	5,516,355	5,516,355	-	0.0%
TOTAL	3,233,079	6,518,965	6,518,965	6,521,233	2,268	0.0%
FTE	1.1	-	-	-	-	0.0%

Revenues

Other Fund Revenue Sources

	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>FY2006</u> <u>Estm.</u>	<u>FY2007</u> <u>Estm.</u>	% Change <u>From</u> <u>FY2004</u>
Participant Premiums	\$1,752,971	\$2,743,588	\$3,541,000	\$3,541,000	102.0%
Carrier Assesments	796,382	851,686	852,300	852,300	7.0%
Total	\$2,549,353	\$3,595,274	\$4,393,300	\$4,393,300	72.3%

Selected Performance Indicators

	Actual FY2004	Actual FY2005	Estimated FY2006	Estimated FY2007
None reported				

Other Departmental Issues

A. Interim Appropriation Actions

No interim appropriation actions were taken.