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<b>FUNDING</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$3,616</b>	<b>\$4,097</b>	<b>\$4,110</b>

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

California Constitution, Article VI, Sections 8, 18, 18.1 and 18.5; Government Code, Sections 75060 et seq. and 75560 et seq.

**DETAILED BUDGET ADJUSTMENTS**

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Employee Compensation Adjustments	\$103	\$-	-	\$143	\$-	-
• Retirement Rate Adjustments	73	-	-	73	-	-
• Other Baseline Adjustments	11	-	-	-16	-	-

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

		<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>COMMISSION ON JUDICIAL PERFORMANCE</b>			
	State Operations:			
0001	General Fund	\$3,617	\$4,098	\$4,111
9728	Judicial Branch Workers' Compensation Fund	<u>-1</u>	<u>-1</u>	<u>-1</u>
	Totals, State Operations	<b>\$3,616</b>	<b>\$4,097</b>	<b>\$4,110</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	<u>3,616</u>	<u>4,097</u>	<u>4,110</u>
	<b>Totals, Expenditures</b>	<b>\$3,616</b>	<b>\$4,097</b>	<b>\$4,110</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	21.5	27.0	27.0	\$1,895	\$2,335	\$2,358
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87</u>	<u>118</u>
Net Totals, Salaries and Wages	<b>21.5</b>	<b>27.0</b>	<b>27.0</b>	<b>\$1,895</b>	<b>\$2,422</b>	<b>\$2,476</b>
Staff Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>658</u>	<u>609</u>	<u>538</u>
Totals, Personal Services	<b>21.5</b>	<b>27.0</b>	<b>27.0</b>	<b>\$2,553</b>	<b>\$3,031</b>	<b>\$3,014</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<u>\$1,063</u>	<u>\$1,066</u>	<u>\$1,096</u>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$3,616</b>	<b>\$4,097</b>	<b>\$4,110</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	21.5	27.0	27.0	\$1,895	\$2,335	\$2,358
Salary adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87</u>	<u>118</u>
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$87</u>	<u>\$118</u>
<b>TOTALS, SALARIES AND WAGES</b>	<b>21.5</b>	<b>27.0</b>	<b>27.0</b>	<b>\$1,895</b>	<b>\$2,422</b>	<b>\$2,476</b>

\* Dollars in thousands, except in Salary Range.

**0280 Commission on Judicial Performance - Continued**

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

<b>1 STATE OPERATIONS</b>		<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
	<b>0001 General Fund</b>			
APPROPRIATIONS				
001 Budget Act appropriation		\$3,734	\$3,910	\$4,110
Allocation for employee compensation		-	103	-
Adjustment per Section 3.60		176	73	-
Adjustment per Section 4.60 (Rental Rate)		-	11	-
011 Budget Act appropriation (transfer to Judicial Branch Workers' Compensation Fund)		1	1	1
<b>Totals Available</b>		<b>\$3,911</b>	<b>\$4,098</b>	<b>\$4,111</b>
Unexpended balance, estimated savings		-294	-	-
<b>TOTALS, EXPENDITURES</b>		<b>\$3,617</b>	<b>\$4,098</b>	<b>\$4,111</b>
	<b>9728 Judicial Branch Workers' Compensation Fund</b>			
APPROPRIATIONS				
Less funding provided by the General Fund		-1	-1	-1
<b>NET TOTALS, EXPENDITURES</b>		<b>-1</b>	<b>-1</b>	<b>-1</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>		<b>\$3,616</b>	<b>\$4,097</b>	<b>\$4,110</b>

**0390 Contributions to the Judges' Retirement System**

The Judges' Retirement System provides retirement benefit funding for California's Supreme and Appellate Court Judges, as well as Superior and Municipal Court Judges.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 State Operations	-	-	-	\$2,868	\$2,950	\$3,150
20 Local Assistance	-	-	-	122,602	145,183	140,591
99 Unclassified (Benefit Payments)	-	-	-	122,220	130,581	134,484
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$247,690</b>	<b>\$278,714</b>	<b>\$278,225</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001 General Fund				\$125,470	\$148,133	\$143,741
0815 Judges' Retirement Fund				121,636	129,692	133,606
0884 Judges' Retirement System II Fund				584	889	878
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$247,690</b>	<b>\$278,714</b>	<b>\$278,225</b>

The amounts for the Judges' Retirement Fund (0815) and the Judges' Retirement System II Fund (0884) are unclassified expenditures for benefit payments.

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Government Code, Title 8, Chapter 11 and 11.5.

**DETAILED BUDGET ADJUSTMENTS**

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Various baseline adjustments	\$874	\$1,877	-	-\$3,518	\$5,780	-

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

\* Dollars in thousands, except in Salary Range.

## 0390 Contributions to the Judges' Retirement System - Continued

The Judges Retirement System provides retirement, disability and death benefits based on age, years of service, compensation of active judges, and eligibility as determined by specific sections of the Judges' Retirement Law. The Judges Retirement System receives contributions equal to eight percent of salary from both active judges and the State. Additional contributions come from filing fees for specific civil cases, and investment income. These contributions, however, are not sufficient to fully fund benefit payments. Consequently, current law requires the State to fund the difference between existing contribution resources and the required benefit payments to retired judges.

A second retirement system for judges was established in 1994. All new judges elected or appointed on or after November 9, 1994, become members of Judges Retirement System II. The Judges Retirement System II receives contributions from judges equal to 8 percent of their salary as well as investment income. The State's contributions are adjusted annually to maintain actuarial soundness of the fund. Judges Retirement System II members also have the option of choosing the monetary credit plan (a lump-sum return of contributions and interest earned) or the defined benefit plan.

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation (transfer to Judges' Retirement Fund)	\$1,150	\$1,150	\$1,150
Reduction per Section 4.10	-173	-	-
Adjustment per Section 4.10	173	-	-
Government Code Section 75101 (JRS I)	1,288	1,300	1,300
Government Code Section 75600.5 (JRS II)	<u>430</u>	<u>500</u>	<u>700</u>
<b>TOTALS, EXPENDITURES</b>	<b><u>\$2,868</u></b>	<b><u>\$2,950</u></b>	<b><u>\$3,150</u></b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$2,868</b>	<b>\$2,950</b>	<b>\$3,150</b>
2 LOCAL ASSISTANCE	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation (transfer to Judges' Retirement Fund)	\$87,420	\$115,040	\$109,167
Allocation for contingencies or emergencies	3,620	-	-
Transfer from Item 0450-111-0001 per Section 27.00(b)	4,262	-	-
Government Code Section 75101 (JRS I)	9,497	8,868	8,361
Government Code Section 75600.5 (JRS II)	<u>17,803</u>	<u>21,275</u>	<u>23,063</u>
<b>TOTALS, EXPENDITURES</b>	<b><u>\$122,602</u></b>	<b><u>\$145,183</u></b>	<b><u>\$140,591</u></b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$122,602</b>	<b>\$145,183</b>	<b>\$140,591</b>
4 UNCLASSIFIED	2003-04*	2004-05*	2005-06*
<b>0815 Judges' Retirement Fund</b>			
APPROPRIATIONS			
Government Code Section 75025	\$121,636	\$129,692	\$133,606
Number of Annuitants (JRS I)	<u>(1,570)</u>	<u>(1,632)</u>	<u>(1,688)</u>
<b>TOTALS, EXPENDITURES</b>	<b><u>\$121,636</u></b>	<b><u>\$129,692</u></b>	<b><u>\$133,606</u></b>
<b>0884 Judges' Retirement System II Fund</b>			
APPROPRIATIONS			
Government Code Section 75522	\$584	\$889	\$878
Number of Annuitants (JRS II)	<u>(6)</u>	<u>(7)</u>	<u>(8)</u>
<b>TOTALS, EXPENDITURES</b>	<b><u>\$584</u></b>	<b><u>\$889</u></b>	<b><u>\$878</u></b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)</b>	<b><u>\$122,220</u></b>	<b><u>\$130,581</u></b>	<b><u>\$134,484</u></b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations, Local Assistance and Unclassified)</b>	<b>\$247,690</b>	<b>\$278,714</b>	<b>\$278,225</b>

### FUND CONDITION STATEMENTS

	2003-04*	2004-05*	2005-06*
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\* Dollars in thousands, except in Salary Range.

**0390 Contributions to the Judges' Retirement System - Continued**

	2003-04*	2004-05*	2005-06*
<b>0815 Judges' Retirement Fund <sup>N</sup></b>			
BEGINNING BALANCE	\$3,742	\$4,611	\$13,864
Prior year adjustments	<u>692</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$4,434	\$4,611	\$13,864
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
215000 Income From Investments	58	2	2
216000 Fees and Licenses (Filing Fees)	2,870	2,500	2,300
221000 Contributions From Judges	11,296	10,168	9,511
221000 Refunds of Contributions	-238	-100	-100
221000 Contributions From State	10,785	10,168	9,511
221000 Contributions For Assignments	1,231	1,200	1,200
299000 Budget Act Appropriation (Administration) (Transfer From General Fund)	641	728	735
299000 Budget Act Appropriation (Transfer From General Fund)	<u>95,811</u>	<u>115,462</u>	<u>109,582</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$122,454</u>	<u>\$140,128</u>	<u>\$132,741</u>
Total Resources	\$126,888	\$144,739	\$146,605
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0390 Contributions to Judges' Retirement System (Unclassified)	121,636	129,692	133,606
1900 Public Employees' Retirement System (State Operations)	641	728	807
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	<u>-</u>	<u>455</u>	<u>-</u>
Total Expenditures and Expenditure Adjustments	<u>\$122,277</u>	<u>\$130,875</u>	<u>\$134,413</u>
FUND BALANCE	\$4,611	\$13,864	\$12,192
<b>0884 Judges' Retirement System II Fund <sup>N</sup></b>			
BEGINNING BALANCE	\$90,715	\$129,315	\$171,980
Prior year adjustments	<u>-9</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$90,706	\$129,315	\$171,980
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
215000 Income From Investments	13,432	14,000	14,000
221000 Contributions From Judges	8,131	8,489	9,264
221000 Contributions From State	18,240	21,775	23,763
221000 Refunds of Contributions	<u>-203</u>	<u>-250</u>	<u>-250</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$39,600</u>	<u>\$44,014</u>	<u>\$46,777</u>
Total Resources	\$130,306	\$173,329	\$218,757
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0390 Contributions to Judges' Retirement System (Unclassified)	584	889	878
1900 Public Employees' Retirement System (State Operations)	<u>407</u>	<u>460</u>	<u>508</u>
Total Expenditures and Expenditure Adjustments	<u>\$991</u>	<u>\$1,349</u>	<u>\$1,386</u>
FUND BALANCE	\$129,315	\$171,980	\$217,371

**0450 State Trial Court Funding**

Chapter 850, Statutes of 1997, enacted the Lockyer-Isenberg Trial Court Funding Act of 1997 to provide a stable and consistent funding source for the trial courts. Beginning with the 1997-98 fiscal year, consolidation of the costs of operation of the trial courts was implemented at the State level, with the exception of facility, revenue collection, and local judicial benefit costs. This implementation capped the counties' general purpose revenue contributions to trial court costs at a revised 1994-95 level. The county contributions become part of the Trial Court Trust Fund, which supports all trial court operations. Fine and penalty revenue collected by each county is retained, and each county makes quarterly payments to the Trial Court Trust Fund equal to the fine and penalty revenue received by the State General Fund in 1994-95. Chapter 1082, Statutes of 2002, enacted the Trial Court Facilities Act of 2002, which provided a process for the responsibility for court facilities to be transferred from the counties to the State by July 1, 2007. This Chapter also established several new

\* Dollars in thousands, except in Salary Range.

## 0450 State Trial Court Funding - Continued

revenue sources, which went into effect on January 1, 2003. These revenues are deposited into the State Court Facilities Construction Fund for the purpose of funding the construction and maintenance of court facilities throughout the state. As facilities transfer to the State, counties will also contribute revenues for operation and maintenance of court facilities based upon historical expenditures.

In order to consolidate operational costs of the Judicial Branch, the Governor's Budget will combine the previously separate budgets of Judicial and State Trial Court Funding as the Judicial Branch beginning in 2005-06.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Support for the Operation of Trial Courts	-	-	-	\$1,889,886	\$2,117,558	\$-
25 Salaries of Superior Court Judges	-	-	-	223,757	232,991	-
35 Assigned Judges	-	-	-	17,269	19,254	-
45 Court Interpreters	-	-	-	67,534	67,735	-
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	-	-	-	<b>\$2,198,446</b>	<b>\$2,437,538</b>	<b>\$-</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001 General Fund				\$1,083,257	\$1,296,758	\$-
0159 Trial Court Improvement Fund				60,196	132,455	-
0556 Judicial Administration Efficiency and Modernization Fund				-487	-	-
0932 Trial Court Trust Fund				1,067,125	1,008,325	-
9728 Judicial Branch Workers' Compensation Fund				-11,645	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$2,198,446</b>	<b>\$2,437,538</b>	<b>\$-</b>

The General Fund amount above includes \$29.8 million in 2003-04 and \$34.1 million in 2004-05, for transfer to the Judicial Administration Efficiency and Modernization Fund. The General Fund amount also includes \$1 billion in 2003-04 and \$1.3 billion in 2004-05 for transfer to the Trial Court Trust Fund. Refer to Fund Condition Statements for detail.

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

California Constitution, Article VI, Section 4.

#### PROGRAM AUTHORITY

45-Court Interpreters:

Trial Court Interpreter Employment and Labor Relations Act, Government Code Sections 71800-71829.

### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Other Baseline Adjustments	\$-	\$1	-	\$-	\$-	-
• Increased Expenditures from Continuously Appropriated Items	-	25,795	-	-	-	-
• Employee Compensation Adjustments	641	-	-	-	-	-
• Improvement Fund and Trust Fund Transfers	-	12,467	-	-	-	-
• Increased Trial Court Costs	88,427	-	-	-	-	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 SUPPORT FOR THE OPERATION OF THE TRIAL COURTS

This program's objective is to provide the resources necessary for the adjudication of civil and criminal cases in the state's countywide trial court systems. This program includes all allowable trial court administrative costs under Chapter 850, Statutes of 1997, except salaries and benefits of superior court judges, compensation for assigned judges, and support for language interpreters.

\* Dollars in thousands, except in Salary Range.

**0450 State Trial Court Funding - Continued**

25 SALARIES FOR SUPERIOR COURT JUDGES

This program provides funding for the salaries and State benefits for Superior Court judges.

35 ASSIGNED JUDGES

This program provides support for the salaries and related costs of retired as well as active judges who are assigned by the Chief Justice to positions in courts which require assistance due to caseload backlogs or other factors impacting the ability of a court to avoid case delay.

45 COURT INTERPRETERS

This program supports the provision of qualified language interpreters in criminal or juvenile proceedings as required by statute.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>10 SUPPORT FOR OPERATION OF TRIAL COURTS</b>			
Local Assistance:			
0001 General Fund	\$1,083,257	\$1,296,758	-
0159 Trial Court Improvement Fund	60,196	132,455	-
0556 Judicial Administration Efficiency and Modernization Fund	-487	-	-
0932 Trial Court Trust Fund	758,565	688,345	-
9728 Judicial Branch Workers' Compensation Fund	<u>-11,645</u>	<u>-</u>	<u>-</u>
Totals, Local Assistance	<b>\$1,889,886</b>	<b>\$2,117,558</b>	-
<b>PROGRAM REQUIREMENTS</b>			
<b>25 SALARIES OF SUPERIOR COURT JUDGES</b>			
Local Assistance:			
0932 Trial Court Trust Fund	<u>\$223,757</u>	<u>\$232,991</u>	<u>-</u>
Totals, Local Assistance	<b>\$223,757</b>	<b>\$232,991</b>	-
<b>PROGRAM REQUIREMENTS</b>			
<b>35 ASSIGNED JUDGES</b>			
Local Assistance:			
0932 Trial Court Trust Fund	<u>\$17,269</u>	<u>\$19,254</u>	<u>-</u>
Totals, Local Assistance	<b>\$17,269</b>	<b>\$19,254</b>	-
<b>PROGRAM REQUIREMENTS</b>			
<b>45 COURT INTERPRETERS</b>			
Local Assistance:			
0932 Trial Court Trust Fund	<u>\$67,534</u>	<u>\$67,735</u>	<u>-</u>
Totals, Local Assistance	<b>\$67,534</b>	<b>\$67,735</b>	-
<b>TOTALS, EXPENDITURES</b>			
Local Assistance	<u>2,198,446</u>	<u>2,437,538</u>	<u>-</u>
<b>Totals, Expenditures</b>	<b>\$2,198,446</b>	<b>\$2,437,538</b>	-

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

<b>2 LOCAL ASSISTANCE</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>0001 General Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$3,000	\$5,810	-
111 Budget Act appropriation (transfer to Trial Court Trust Fund)	1,001,001	1,167,758	-
Allocation for employee compensation	-	641	-
Allocation for contingencies or emergencies	31,603	-	-
Deficiency from special appropriations bill	-	14,611	-

\* Dollars in thousands, except in Salary Range.

Revised expenditure authority per Provision 1	22,093	73,816	-
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\* Dollars in thousands, except in Salary Range.

**0450 State Trial Court Funding - Continued**

<b>2 LOCAL ASSISTANCE</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
Transfer to Item 0390-001-0001 per Section 27.00(b)	-4,262	-	-
112 Budget Act appropriation (transfer to Judicial Administration Efficiency and Modernization Fund)	29,822	34,122	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,083,257</b>	<b>\$1,296,758</b>	-
<b>0159 Trial Court Improvement Fund</b>			
APPROPRIATIONS			
111 Budget Act appropriation (transfer to General Fund)	(\$10,000)	-	-
112 Budget Act appropriation (transfer to Trial Court Trust Fund)	-	(\$13,000)	-
Government Code Section 77209 (g)	<u>60,196</u>	<u>132,455</u>	-
<b>TOTALS, EXPENDITURES</b>	<b>\$60,196</b>	<b>\$132,455</b>	-
<b>0556 Judicial Administration Efficiency and Modernization Fund</b>			
APPROPRIATIONS			
112 Budget Act appropriation	<u>\$29,822</u>	<u>\$34,122</u>	-
<b>Totals Available</b>	<b>\$29,822</b>	<b>\$34,122</b>	-
Unexpended balance, estimated savings	<u>-487</u>	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$29,335</b>	<b>\$34,122</b>	-
Less funding provided by the General Fund	<u>-29,822</u>	<u>-34,122</u>	-
<b>NET TOTALS, EXPENDITURES</b>	<b>-\$487</b>	-	-
<b>0932 Trial Court Trust Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$2,186,864	\$2,182,440	-
Allocation for employee compensation	-	641	-
Deficiency from special appropriations bill	-	14,611	-
Revised expenditure authority per Provision 8	22,093	73,816	-
Non-receipt of revenue	-44,000	-	-
Revised expenditure authority per Government Code Section 77209 (transfer to Trial Court Improvement Fund)	-18,825	-19,358	-
Revised expenditure authority per Section 27.00(b) and Item 0450-111-0001	-4,262	-	-
Revised expenditure authority per Provision 9	-14,226	-8,638	-
Revised expenditure authority per Provision 5	-	13,000	-
115 Budget Act appropriation (transfer to Judicial Branch Workers Compensation Fund)	1	1	-
Revised expenditure authority per Provision 1	<u>14,226</u>	<u>8,638</u>	-
<b>Totals Available</b>	<b>\$2,141,871</b>	<b>\$2,265,151</b>	-
Unexpended balance, estimated savings	<u>-24,311</u>	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$2,117,560</b>	<b>\$2,265,151</b>	-
Less funding provided by the General Fund	<u>-1,050,435</u>	<u>-1,256,826</u>	-
<b>NET TOTALS, EXPENDITURES</b>	<b>\$1,067,125</b>	<b>\$1,008,325</b>	-
<b>3037 State Court Facilities Construction Fund</b>			
APPROPRIATIONS			
111 Budget Act appropriation (transfer to Trial Court Trust Fund)	(\$80,000)	-	-
112 Budget Act appropriation (transfer to General Fund)	<u>-</u>	<u>(\$30,000)</u>	-
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>-</b>	-
<b>9728 Judicial Branch Workers' Compensation Fund</b>			
APPROPRIATIONS			
Government Code Section 68114.10	<u>\$2,581</u>	<u>\$8,639</u>	-
<b>TOTALS, EXPENDITURES</b>	<b>\$2,581</b>	<b>\$8,639</b>	-
Less funding provided by the Trial Court Trust Fund	<u>-14,226</u>	<u>-8,639</u>	-
<b>NET TOTALS, EXPENDITURES</b>	<b>-\$11,645</b>	<b>-</b>	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$2,198,446</b>	<b>\$2,437,538</b>	-

\* Dollars in thousands, except in Salary Range.

## 0500 Governor's Office

Article V of the Constitution vests the supreme executive power in a chief magistrate, who is called the Governor of the State of California. The Office of the Governor is maintained at Sacramento.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Governor's Office	86.0	188.0	188.0	\$6,110	\$18,371	\$18,629
97 Unallocated Reduction	-	-	-3.0	-	-	-282
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>86.0</b>	<b>188.0</b>	<b>185.0</b>	<b>\$6,110</b>	<b>\$18,371</b>	<b>\$18,347</b>

### FUNDING

	2003-04*	2004-05*	2005-06*
0001 General Fund	\$6,110	\$18,371	\$18,347
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$6,110</b>	<b>\$18,371</b>	<b>\$18,347</b>

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

California Constitution, Article V.

### MAJOR PROGRAM CHANGES

- Governor's Office Position and Funding Augmentation - Pursuant to Section 4.35, Budget Act of 2004, the Department of Finance has identified all positions on loan to the Governor's Office from various State departments and agencies. The Budget includes an augmentation of \$12.2 million General Fund in 2004-05 and 2005-06 for the Governor's Office to fund costs associated with the transfer of 116 loaned positions. The Budget also includes a reduction of 14 positions in 2004-05 and 2005-06, to align authorized positions with available funding.

### DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Adjustment per Control Section 4.35	\$12,195	\$-	116.0	\$12,195	\$-	116.0
• Memberships in Interstate Organizations	-	-	-	199	-	-
• Price Increase	-	-	-	50	-	-
• Retirement Rate Adjustments	43	-	-	43	-	-
• Employee Compensation Adjustments	14	-	-	23	-	-
• Alignment of Positions with Funding	-	-	-14.0	-	-	-14.0
<b>Policy Adjustment Descriptions</b>						
• Unallocated State Operations Reduction	-	-	-	-282	-	-3.0

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	86.0	86.0	86.0	\$4,178	\$4,187	\$4,187
Total Adjustments	-	102.0	99.0	-	12,252	12,261
Totals, Personal Services	<b>86.0</b>	<b>188.0</b>	<b>185.0</b>	<b>\$4,178</b>	<b>\$16,439</b>	<b>\$16,448</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
Unallocated Reduction				-	-	-282
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$6,110</b>	<b>\$18,371</b>	<b>\$18,347</b>

\* Dollars in thousands, except in Salary Range.

**0500 Governor's Office - Continued**

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$5,943	\$6,119	\$18,347
Allocation for employee compensation	-	14	-
Adjustment per Section 3.60	176	43	-
Adjustment per Section 4.35	-	12,195	-
<b>Totals Available</b>	<b>\$6,119</b>	<b>\$18,371</b>	<b>\$18,347</b>
Unexpended balance, estimated savings	-9	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$6,110</b>	<b>\$18,371</b>	<b>\$18,347</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$6,110</b>	<b>\$18,371</b>	<b>\$18,347</b>

**0510 Secretary for State and Consumer Services**

The State and Consumer Services Agency oversees the departments of Consumer Affairs, Fair Employment and Housing, and General Services. The Agency also oversees the California Science Center, the California African American Museum, the Fair Employment and Housing Commission, the Franchise Tax Board, the California Building Standards Commission, the State Personnel Board, the California Public Employees' Retirement System, the California State Teachers' Retirement System, the Victim Compensation and Government Claims Board, and the Office of the Insurance Advisor.

The entities under the State and Consumer Services Agency are responsible for civil rights enforcement, consumer protection and the licensing of 2.3 million Californians in more than 230 different professions. In addition, the Secretary for the State and Consumer Services Agency is the Chair of the California Building Standards Commission and the Victim Compensation and Government Claims Board.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Administration of State and Consumer Services Agency	9.2	10.8	10.8	\$1,272	\$1,383	\$1,378
97 Unallocated Reduction	-	-	-	-	-	-12
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>9.2</b>	<b>10.8</b>	<b>10.8</b>	<b>\$1,272</b>	<b>\$1,383</b>	<b>\$1,366</b>

FUNDING	2003-04*	2004-05*	2005-06*
0001 General Fund	\$746	\$789	\$769
0995 Reimbursements	526	594	597
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$1,272</b>	<b>\$1,383</b>	<b>\$1,366</b>

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Government Code Sections 12800, 12801, and 12804.

**DETAILED BUDGET ADJUSTMENTS**

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Various Baseline Adjustments	\$43	\$23	-	\$35	\$27	-
<b>Policy Adjustment Descriptions</b>						
• Unallocated State Operations Reduction	-	-	-	-12	-	-

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

\* Dollars in thousands, except in Salary Range.

**0510 Secretary for State and Consumer Services - Continued**

	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>10 ADMINISTRATION</b>			
State Operations:			
0001 General Fund	\$746	\$789	\$781
0995 Reimbursements	<u>526</u>	<u>594</u>	<u>597</u>
Totals, State Operations	<b>\$1,272</b>	<b>\$1,383</b>	<b>\$1,378</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>97 UNALLOCATED REDUCTION</b>			
State Operations:			
0001 General Fund	<u>-</u>	<u>-</u>	<u>-\$12</u>
Totals, State Operations	<b>-</b>	<b>-</b>	<b>-\$12</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	<u>1,272</u>	<u>1,383</u>	<u>1,366</u>
<b>Totals, Expenditures</b>	<b>\$1,272</b>	<b>\$1,383</b>	<b>\$1,366</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	9.2	11.1	11.1	\$797	\$901	\$909
Total Adjustments	-	-	-	-	43	45
Estimated Salary Savings	<u>-</u>	<u>-0.3</u>	<u>-0.3</u>	<u>-</u>	<u>-19</u>	<u>-19</u>
Net Totals, Salaries and Wages	<b>9.2</b>	<b>10.8</b>	<b>10.8</b>	<b>\$797</b>	<b>\$925</b>	<b>\$935</b>
Staff Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>224</u>	<u>296</u>	<u>302</u>
Totals, Personal Services	<b>9.2</b>	<b>10.8</b>	<b>10.8</b>	<b>\$1,021</b>	<b>\$1,221</b>	<b>\$1,237</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
Unallocated Reduction				<u>\$251</u>	<u>\$162</u>	<u>\$141</u>
				<u>-</u>	<u>-</u>	<u>-12</u>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$1,272</b>	<b>\$1,383</b>	<b>\$1,366</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	<b>9.2</b>	<b>11.1</b>	<b>11.1</b>	<b>\$797</b>	<b>\$901</b>	<b>\$909</b>
Salary adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43</u>	<u>45</u>
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$43</u>	<u>\$45</u>
<b>TOTALS, SALARIES AND WAGES</b>	<b>9.2</b>	<b>11.1</b>	<b>11.1</b>	<b>\$797</b>	<b>\$944</b>	<b>\$954</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$774	\$746	\$769
Allocation for employee compensation	-	32	-
Adjustment per Section 3.60	52	8	-
Reduction per Section 4.10	-116	-	-
Adjustment per Section 4.10	36	-	-
Adjustment per Section 4.60 (Rental Rate)	<u>-</u>	<u>3</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$746</b>	<b>\$789</b>	<b>\$769</b>
<b>0995 Reimbursements</b>			

\* Dollars in thousands, except in Salary Range.

**0510 Secretary for State and Consumer Services - Continued**

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
APPROPRIATIONS			
Reimbursements	\$526	\$594	\$597
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$1,272</b>	<b>\$1,383</b>	<b>\$1,366</b>

**0520 Secretary for Business, Transportation and Housing**

The mission of the Secretary for Business, Transportation and Housing (BTH) is to oversee and coordinate the activities of fourteen departments, offices and various economic development programs, which comprise the BTH Agency, with responsibility for maintaining the strength of California's infrastructure and the efficiencies of its financial markets. The Office of Military and Aerospace Support, the California Film Commission, the California Infrastructure and Economic Development Bank, and the California Tourism Commission are part of the BTH Agency. The BTH Agency departments provide financial and programmatic regulation important to an efficient marketplace, resources to foster neighborhood development, assistance in protecting patient rights, state-of-the-art computer technology services to government organizations throughout the state, and transportation infrastructure and management for the safe, efficient flow of people and commerce. These entities include:

- California Housing Finance Agency
- Department of Corporations
- Department of Alcoholic Beverage Control
- Department of the California Highway Patrol
- Department of Financial Institutions
- Department of Housing and Community Development
- Department of Managed Health Care, including the Office of Patient Advocate
- Department of Motor Vehicles
- Department of Real Estate
- Department of Transportation
- Office of Real Estate Appraisers
- Office of Traffic Safety
- Stephen P. Teale Data Center (until June 30, 2005, after which it will be consolidated into the new Department of Technology Services in the State and Consumer Services Agency)

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Administration of Business, Transportation and Housing Agency	17.2	23.0	23.0	\$2,764	\$3,406	\$3,009
25 Infrastructure Finance and Economic Development Program	18.5	41.0	36.5	6,306	17,670	15,465
30 Agency Audit Office	1.9	-	-	373	-	-
97 Unallocated Reduction	-	-	-	-	-	-83
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>37.6</b>	<b>64.0</b>	<b>59.5</b>	<b>\$9,443</b>	<b>\$21,076</b>	<b>\$18,391</b>

<b>FUNDING</b>		<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001	General Fund	\$439	\$6,530	\$5,305
0044	Motor Vehicle Account, State Transportation Fund	1,372	1,387	1,133
0649	California Infrastructure and Economic Development Bank Fund	3,477	5,382	5,475
0890	Federal Trust Fund	-	978	-
0918	Small Business Expansion Fund	120	1,466	1,435
0995	Reimbursements	4,035	5,278	4,987
3083	Welcome Center Fund	-	55	56
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>		<b>\$9,443</b>	<b>\$21,076</b>	<b>\$18,391</b>

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

Government Code, Title 2, Division 3, Part 2.5, commencing with Section 12800.

**MAJOR PROGRAM CHANGES**

- General Fund Reduction - The Agency has been instructed to reduce its state operations budget by \$83,000 with the flexibility to implement through layoff, hiring freeze, procurement reduction or other administrative means as it may

\* Dollars in thousands, except in Salary Range.

## 0520 Secretary for Business, Transportation and Housing - Continued

choose. For the Office of the Secretary, the General Fund supports the Small Business Loan Guarantee Program, California Film Commission, and Office of Military and Aerospace Support.

### DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Employee Compensation and Retirement Adjustment	\$32	\$267	-	\$36	\$294	-
• Various baseline adjustments	-	1,383	-	29	-209	-
• Removal of One-time Costs for Closure of Technology, Trade, and Commerce Agency	-	-	-	-575	-	-
• Reduction for One-time Costs for California Film Commission Permit System Project	-	-	-	-600	-	-
<b>Policy Adjustment Descriptions</b>						
• California Welcome Center Program Staffing (Ch. 296/04)	-	-	-	-	55	0.5
• Staff for the New Emergency Apportionment Lease Financing Program (Ch.263/04)	-	-	0.5	-	50	1.0
• Transfer of Position Authority from Business, Transportation and Housing Agency to California Highway Patrol	-	-	-	-	-	-1.9
• Unallocated General Fund State Operations Reduction	-	-	-	-83	-	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 ADMINISTRATION OF BUSINESS, TRANSPORTATION AND HOUSING AGENCY

The objective of this program is two-fold. The Secretary, a member of the Governor's Cabinet, advises the Governor on major policy and program matters and oversees the operations of the Agency's programs and departments. The Administration Program also provides support services for the Agency.

#### 25 INFRASTRUCTURE FINANCE AND ECONOMIC DEVELOPMENT

The Infrastructure Finance and Economic Development Program's objective is to encourage and promote economic activity and investment within the state by overseeing various infrastructure, small business finance, and economic development programs. Through state-funded programs and private/public partnerships, the Agency serves as a catalyst to help the technology, tourism, entertainment, and small business sectors of the California economy succeed. This program also includes the California Infrastructure and Economic Development Bank, which provides loans to local agencies for infrastructure projects.

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>ADMINISTRATION OF BUSINESS, TRANSPORTATION AND HOUSING AGENCY</b>			
	State Operations:			
0044	Motor Vehicle Account, State Transportation Fund	\$1,372	\$1,387	\$1,133
0649	California Infrastructure and Economic Development Bank Fund	57	-	-
0995	Reimbursements	1,335	2,019	1,876
	Totals, State Operations	<b>\$2,764</b>	<b>\$3,406</b>	<b>\$3,009</b>

\* Dollars in thousands, except in Salary Range.

**PROGRAM REQUIREMENTS**

**25 INFRASTRUCTURE FINANCE AND ECONOMIC  
DEVELOPMENT PROGRAM**

State Operations:

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\* Dollars in thousands, except in Salary Range.

**0520 Secretary for Business, Transportation and Housing - Continued**

	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
0001 General Fund	\$439	\$6,530	\$5,388
0649 California Infrastructure and Economic Development Bank Fund	2,357	3,205	3,298
0890 Federal Trust Fund	-	978	-
0918 Small Business Expansion Fund	120	1,466	1,435
0995 Reimbursements	327	1,259	1,111
3083 Welcome Center Fund	-	<u>55</u>	<u>56</u>
Totals, State Operations	<b>\$3,243</b>	<b>\$13,493</b>	<b>\$11,288</b>
Local Assistance:			
0649 California Infrastructure and Economic Development Bank Fund	\$1,063	\$2,177	\$2,177
0995 Reimbursements	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Totals, Local Assistance	<b>\$3,063</b>	<b>\$4,177</b>	<b>\$4,177</b>
<b>ELEMENT REQUIREMENTS</b>			
25.10 California Film Commission	<b>\$439</b>	<b>\$1,459</b>	<b>\$886</b>
State Operations:			
0001 General Fund	439	1,459	886
25.20 Manufacturing Technology Program	<b>\$2,057</b>	<b>\$2,126</b>	<b>\$2,126</b>
State Operations:			
0995 Reimbursements	57	126	126
Local Assistance:			
0995 Reimbursements	2,000	2,000	2,000
25.30 Tourism	<b>\$270</b>	<b>\$983</b>	<b>\$985</b>
State Operations:			
0995 Reimbursements	270	983	985
25.40 California Infrastructure and Economic Development Bank	<b>\$3,420</b>	<b>\$5,382</b>	<b>\$5,475</b>
State Operations:			
0649 California Infrastructure and Economic Development Bank Fund	2,357	3,205	3,298
Local Assistance:			
0649 California Infrastructure and Economic Development Bank Fund	1,063	2,177	2,177
25.50 Small Business Expansion	<b>\$120</b>	<b>\$5,454</b>	<b>\$5,423</b>
State Operations:			
0001 General Fund	-	3,988	3,988
0918 Small Business Expansion Fund	120	1,466	1,435
25.60 Office of Military and Aerospace Support	-	<b>\$1,636</b>	<b>\$514</b>
State Operations:			
0001 General Fund	-	508	514
0890 Federal Trust Fund	-	978	-
0995 Reimbursements	-	150	-
25.70 Technology, Trade, and Commerce Agency Closure Costs	-	<b>\$575</b>	-
State Operations:			
0001 General Fund	-	575	-
25.80 Welcome Center Program	-	<b>\$55</b>	<b>\$56</b>
State Operations:			
3083 Welcome Center Fund	-	55	56
<b>30 AGENCY AUDIT OFFICE</b>			
State Operations:			
0995 Reimbursements	\$373	-	-

\* Dollars in thousands, except in Salary Range.

**0520 Secretary for Business, Transportation and Housing - Continued**

	2003-04*	2004-05*	2005-06*
Totals, State Operations	\$373	-	-
<b>97 UNALLOCATED REDUCTION</b>			
State Operations:			
0001 General Fund	-	-	-\$83
Totals, State Operations	-	-	-\$83
<b>TOTALS, EXPENDITURES</b>			
State Operations	6,380	16,899	14,214
Local Assistance	3,063	4,177	4,177
<b>Totals, Expenditures</b>	<b>\$9,443</b>	<b>\$21,076</b>	<b>\$18,391</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

	1 State Operations			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	37.6	62.5	62.5	\$2,557	\$4,107	\$4,134
Total Adjustments	-	4.0	-0.5	-	584	248
Estimated Salary Savings	-	-2.5	-2.5	-	-165	-167
Net Totals, Salaries and Wages	<b>37.6</b>	<b>64.0</b>	<b>59.5</b>	<b>\$2,557</b>	<b>\$4,526</b>	<b>\$4,215</b>
Staff Benefits	-	-	-	795	1,756	1,674
Totals, Personal Services	<b>37.6</b>	<b>64.0</b>	<b>59.5</b>	<b>\$3,352</b>	<b>\$6,282</b>	<b>\$5,889</b>
OPERATING EXPENSES AND EQUIPMENT				\$3,028	\$10,617	\$8,408
Unallocated Reduction				-	-	-83
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$6,380</b>	<b>\$16,899</b>	<b>\$14,214</b>

	2 Local Assistance			Expenditures		
	2003-04*	2004-05*	2005-06*	2003-04*	2004-05*	2005-06*
Grants and subventions	\$3,063	\$4,177	\$4,177			
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$3,063</b>	<b>\$4,177</b>	<b>\$4,177</b>			

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	37.6	62.5	62.5	\$2,557	\$4,107	\$4,134
Salary adjustments	-	-	-	-	163	155
Workload and Administrative Adjustments:				<b>Salary Range</b>		
Reduction in Authorized Positions:						
Accountant I Spec	-	-	-2.0	2,682-3,259	-	-
Positions Established:						
Senior Planner Spec	-	1.0	-	4,960-6,028	145	-
Staff Loan Officer, Spec	-	0.5	-	4,743-5,763	32	-
Staff Development Spec	-	1.0	-	4,743-5,763	69	-
Associate Govtl Prog Analyst	-	0.5	-	4,111-4,997	30	-
Associate Planner	-	1.0	-	4,111-4,997	145	-
Totals, Workload & Admin Adjustments	-	<b>4.0</b>	<b>-2.0</b>	-	<b>\$421</b>	-
Proposed New Positions:						
Staff Loan Officer, Spec	-	-	1.0	4,743-5,763	-	63
Associate Govtl Prog Analyst	-	-	0.5	4,111-4,997	-	30

\* Dollars in thousands, except in Salary Range.

## 0520 Secretary for Business, Transportation and Housing - Continued

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Proposed New Positions	-	-	1.5	-----		
Total Adjustments	-	4.0	-0.5	-	\$584	\$248
<b>TOTALS, SALARIES AND WAGES</b>	<b>37.6</b>	<b>66.5</b>	<b>62.0</b>	<b>\$2,557</b>	<b>\$4,691</b>	<b>\$4,382</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	\$1,935	\$1,378
Allocation for employee compensation	-	25	-
Adjustment per Section 3.60	-	7	-
002 Budget Act appropriation (Technology, Trade, and Commerce closure costs)	-	575	-
011 Budget Act appropriation (transfer to Small Business Expansion Fund-0918)	-	3,988	3,927
Transfer from Item 2920-001-0001, per Item 2920-001-0001, Provision 2, Budget Act of 2003, and Chapter 229, Statutes of 2003	\$425	-	-
Adjustment per Section 3.60	16	-	-
<b>Totals Available</b>	<b>\$441</b>	<b>\$6,530</b>	<b>\$5,305</b>
Unexpended balance, estimated savings	-2	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$439</b>	<b>\$6,530</b>	<b>\$5,305</b>
<b>0044 Motor Vehicle Account, State Transportation Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,337	\$1,324	\$1,133
Allocation for employee compensation	-	33	-
Adjustment per Section 3.60	49	30	-
Reduction per Section 4.10	-27	-	-
Adjustment per Section 4.10	27	-	-
Transfer to Legislative Claims (9670)	-12	-	-
<b>Totals Available</b>	<b>\$1,374</b>	<b>\$1,387</b>	<b>\$1,133</b>
Unexpended balance, estimated savings	-2	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,372</b>	<b>\$1,387</b>	<b>\$1,133</b>
<b>0649 California Infrastructure and Economic Development Bank Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	\$3,062	\$3,248
Allocation for employee compensation	-	63	-
Adjustment per Section 3.60	-	30	-
Transfer from Item 2920-001-0649, per Item 2920-001-0001, Provision 2, Budget Act of 2003, and Chapter 229, Statutes of 2003	\$2,445	-	-
Adjustment per Section 3.60	48	-	-
Chapter 263, Statutes of 2004	-	100	-
Prior year balances available:			
Chapter 263, Statutes of 2004	-	-	50
<b>Totals Available</b>	<b>\$2,493</b>	<b>\$3,255</b>	<b>\$3,298</b>
Unexpended balance, estimated savings	-79	-	-
Balance available in subsequent years	-	-50	-
<b>TOTALS, EXPENDITURES</b>	<b>\$2,414</b>	<b>\$3,205</b>	<b>\$3,298</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS			
Federal Funds	-	\$978	-
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>\$978</b>	<b>-</b>
<b>0918 Small Business Expansion Fund</b>			
APPROPRIATIONS			

\* Dollars in thousands, except in Salary Range.

**0520 Secretary for Business, Transportation and Housing - Continued**

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
001 Budget Act appropriation	-	\$455	\$435
Allocation for employee compensation	-	8	-
Adjustment per Section 3.60	-	3	-
Transfer from Item 2920-001-0918, per Item 2920-001-0001, Provision 2, Budget Act of 2003, and Chapter 229, Statutes of 2003	\$289	-	-
Adjustment per Section 3.60	6	-	-
Corporations Code Section 14030	-	3,988	3,927
Corporations Code Section 14075	-	<u>1,000</u>	<u>1,000</u>
<b>Totals Available</b>	<b>\$295</b>	<b>\$5,454</b>	<b>\$5,362</b>
Unexpended balance, estimated savings	<u>-175</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$120</b>	<b>\$5,454</b>	<b>\$5,362</b>
Less funding provided by the General Fund	<u>-</u>	<u>-3,988</u>	<u>-3,927</u>
<b>NET TOTALS, EXPENDITURES</b>	<b>\$120</b>	<b>\$1,466</b>	<b>\$1,435</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$2,035	\$3,278	\$2,987
<b>3083 Welcome Center Fund</b>			
APPROPRIATIONS			
001 Budget Act Appropriation	-	-	\$56
Chapter 296, Statutes of 2004	<u>-</u>	<u>\$55</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<u>-</u>	<u>\$55</u>	<u>\$56</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$6,380</b>	<b>\$16,899</b>	<b>\$14,214</b>
<b>2 LOCAL ASSISTANCE</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>0001 General Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	-	-	-
Transfer from Item 2920-101-0001, per Item 2920-001-0001, Provision 2, Budget Act of 2003, and Chapter 229, Statutes of 2003	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>0649 California Infrastructure and Economic Development Bank Fund</b>			
APPROPRIATIONS			
Government Code Section 63050	<u>\$1,500</u>	<u>\$5,500</u>	<u>\$5,500</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$1,500</b>	<b>\$5,500</b>	<b>\$5,500</b>
Loan Repayment per Government Code Section 63050	<u>-437</u>	<u>-3,323</u>	<u>-3,323</u>
<b>NET TOTALS, EXPENDITURES</b>	<b>\$1,063</b>	<b>\$2,177</b>	<b>\$2,177</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$2,000	\$2,000	\$2,000
<b>3005 Film California First Fund</b>			
APPROPRIATIONS			
115 Budget Act appropriation (transfer to General Fund)	<u>-</u>	<u>(\$1,089)</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$3,063</b>	<b>\$4,177</b>	<b>\$4,177</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$9,443</b>	<b>\$21,076</b>	<b>\$18,391</b>

**FUND CONDITION STATEMENTS**

2003-04\*      2004-05\*      2005-06\*

3005 Film California First Fund <sup>s</sup>

\* Dollars in thousands, except in Salary Range.

**0520 Secretary for Business, Transportation and Housing - Continued**

	2003-04*	2004-05*	2005-06*
BEGINNING BALANCE	\$1,108	\$1,089	-
Prior year adjustments	<u>16</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$1,124	\$1,089	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
TO0001 To General Fund per Item 0520-115-3005, Budget Act of 2004	<u>-</u>	<u>-1,089</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>-</u>	<u>-1,089</u>	<u>-</u>
Total Resources	\$1,124	-	-
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	<u>35</u>	<u>-</u>	<u>-</u>
Total Expenditures and Expenditure Adjustments	<u>\$35</u>	<u>-</u>	<u>-</u>
FUND BALANCE	\$1,089	-	-
Reserve for economic uncertainties	1,089	-	-
<b>3083 Welcome Center Fund <sup>s</sup></b>			
BEGINNING BALANCE	-	-	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
161400 Miscellaneous Revenue	<u>-</u>	<u>\$55</u>	<u>\$56</u>
Total Revenues, Transfers, and Other Adjustments	<u>-</u>	<u>\$55</u>	<u>\$56</u>
Total Resources	-	\$55	\$56
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0520 Secretary for Business, Transportation and Housing (State Operations)	<u>-</u>	<u>55</u>	<u>56</u>
Total Expenditures and Expenditure Adjustments	<u>-</u>	<u>\$55</u>	<u>\$56</u>
FUND BALANCE	-	-	-

**0530 Secretary for California Health and Human Services Agency**

The primary mission of the Health and Human Services Agency (HHS) is to provide policy leadership and direction to the departments, board and programs it oversees, to reduce duplication and fragmentation among HHS departments in policy development and implementation, to improve coordination among departments on common programs, to ensure programmatic integrity, and to advance the Governor's priorities on health and human services issues.

The HHS accomplishes its mission through administering the State and federal programs for health care, social services, public assistance, and rehabilitation. These programs touch the lives of millions of California's most needy and vulnerable residents. HHS is committed to striking a balance between the twin imperatives of maintaining access to essential health and human services for our state's most disadvantaged and at-risk residents while pursuing ways to better manage and control costs.

The following departments and entities fall under the purview of the HHS:

- Department of Aging
- Department of Alcohol and Drug Programs
- Department of Community Services and Development
- Department of Developmental Services
- Department of Health Services
- Department of Child Support Services
- Department of Mental Health
- Department of Rehabilitation
- Department of Social Services
- Office of Statewide Health Planning and Development
- Managed Risk Medical Insurance Board
- Long Term Care Council
- Health Care Quality Improvement and Cost Containment Commission

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

Positions			Expenditures		
2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*

\* Dollars in thousands, except in Salary Range.

**0530 Secretary for California Health and Human Services Agency - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Secretary for Health and Human Services	13.6	27.4	27.4	\$1,659	\$3,504	\$3,507
21 Office of Health Insurance Portability and Accountability Act (HIPAA) Implementation	9.9	10.4	10.3	1,881	3,552	3,608
30 Office of System Integration	-	-	177.2	-	-	222,974
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>23.5</b>	<b>37.8</b>	<b>214.9</b>	<b>\$3,540</b>	<b>\$7,056</b>	<b>\$230,089</b>

**FUNDING**

	2003-04*	2004-05*	2005-06*
0001 General Fund	\$1,796	\$4,884	\$4,933
0632 California Health and Human Services Agency Data Center Revolving Fund	-	-	222,974
0933 Managed Care Fund	-	364	364
0995 Reimbursements	1,744	1,808	1,818
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$3,540</b>	<b>\$7,056</b>	<b>\$230,089</b>

**LEGAL CITATIONS AND AUTHORITY**

**PROGRAM AUTHORITY**

10-Secretary for Health and Human Services:

Government Code, Title 2, Division 3, Part 2.5, commencing with Section 12800.

21-California Office of HIPAA Implementation (CalOHI):

Health and Safety Code Division 110, Section 130300 et seq.

**DETAILED BUDGET ADJUSTMENTS**

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Employee Compensation Adjustment						
• Increase for Operational Price Expenses	\$89	\$41	-	\$98	\$379	-
• Retirement Rate Adjustment	-	-	-	60	15	-
• Case Management Information and Payrolling	24	24	-	24	558	-
System Set Aside	-	-	-	-	9,840	-
• Child Welfare Services/Case Management System Maintenance and Operations	-	-	-	-	6,261	2.8
• Miscellaneous Baseline Adjustments	-	-	-	-	2,535	-
• Case Management Information and Payrolling System Planning Phase Support	-	-	-	-	1,731	5.8
• Case Management Information and Payrolling System Implementation Readiness Phase Support	-	-	-	-	1,377	7.6
• Unemployment Insurance Modernization Project	-	-	-	-	994	-
• Statewide Automated Welfare Systems Statewide Project Management Support	-	-	-	-	-	0.9
• Child Welfare Services/Case Management System Go Forward Plan	-	-	-	-	-81	4.5
• Electronic Benefit Transfer	-	-	-	-	-7,624	-
• Rent Adjustment	6	3	-	-14	-6	-
• Transfer Positions to Governor's Office	-74	-	-1.0	-74	-	-1.0
<b>Policy Adjustment Descriptions</b>						
• Establish the Office of System Integration	-	-	-	-	207,072	156.4

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

\* Dollars in thousands, except in Salary Range.

## 0530 Secretary for California Health and Human Services Agency - Continued

### 10 SECRETARY FOR HEALTH AND HUMAN SERVICES

The Secretary for California Health and Human Services Agency provides the Governor with the highest level of advice on State health, human services and related budget policy issues. The Secretary also provides the highest level of leadership and oversight of the Agency-wide efforts to promote the health and well being of a growing and increasingly diverse California population.

### 21 CALIFORNIA OFFICE OF HIPAA IMPLEMENTATION (CalOHI)

The California Office of HIPAA Implementation (CalOHI) has statewide responsibility for implementing the federal Health Insurance Portability and Accountability Act (HIPAA). The HIPAA addresses the standardization and simplification of billing and other electronic data transmissions, as well as establishing new standards for the confidentiality and security of this information.

### 30 OFFICE OF SYSTEM INTEGRATION

This Office provides project management services for automation projects for the Department of Social Services and for the Employment Development Department, including:

- Child Welfare Services/Case Management System
- Statewide Automated Welfare System
- Statewide Fingerprint Imaging System
- Electronic Benefit Transfer System
- Case Management, Information and Payrolling System
- Unemployment Insurance Modernization Project

The resources for the Office are being redirected from the existing Systems Integration Division within the Health and Human Services Data Center as part of an initiative to consolidate the State's data centers.

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	23.5	40.0	40.0	\$1,859	\$2,894	\$2,904
Total Adjustments	-	-1.0	196.8	-	91	12,326
Estimated Salary Savings	-	-1.2	-21.9	-	-90	-1,259
Net Totals, Salaries and Wages	<b>23.5</b>	<b>37.8</b>	<b>214.9</b>	<b>\$1,859</b>	<b>\$2,895</b>	<b>\$13,971</b>
Staff Benefits	-	-	-	528	1,113	5,147
Totals, Personal Services	<b>23.5</b>	<b>37.8</b>	<b>214.9</b>	<b>\$2,387</b>	<b>\$4,008</b>	<b>\$19,118</b>
OPERATING EXPENSES AND EQUIPMENT				\$1,153	\$3,048	\$210,971
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$3,540</b>	<b>\$7,056</b>	<b>\$230,089</b>

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	23.5	40.0	40.0	\$1,859	\$2,894	\$2,904
Salary adjustments	-	-	-	-	128	398
Workload and Administrative Adjustments:				<b>Salary Range</b>		
Transfer from HHSDC:						
Office of System Integration:						
Administrative Support:						
C.E.A. I	-	-	1.0	5,768-7,324	-	79
Staff Services Mgr II	-	-	1.0	5,211-6,286	-	69
Staff Services Mgr I	-	-	2.0	4,746-5,726	-	132
Assoc Info Systems Analyst	-	-	1.0	4,316-5,247	-	60
Assoc Budget Analyst	-	-	2.0	4,111-4,997	-	114
Assoc Govtl Program Analyst	-	-	5.0	4,111-4,997	-	283
Assoc Personnel Analyst	-	-	1.0	4,111-4,997	-	52

\* Dollars in thousands, except in Salary Range.

**0530 Secretary for California Health and Human Services Agency - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Sr Acctg Officer Spec	-	-	2.0	4,111-4,997	-	109
Acctg Officer Spec	-	-	1.0	3,589-4,363	-	45
Staff Services Analyst	-	-	2.0	2,632-4,155	-	79
Personnel Analyst	-	-	1.0	2,431-3,519	-	41
Business Services Assistant	-	-	1.0	2,331-3,465	-	35
Management Services Technician	-	-	1.0	2,331-3,204	-	37
Office Technician	-	-	1.0	2,510-3,050	-	33
Accounting Technician	-	-	2.0	2,465-2,998	-	70
Totals, Administrative Support	-	-	<b>24.0</b>	-	-	<b>\$1,238</b>
Executive Unit:						
C.E.A. IV	-	-	1.0	8,025-8,845	-	102
Sys Software Spec II-Tech	-	-	1.0	5,196-6,316	-	72
Staff Info Sys Analyst -Spec	-	-	1.0	4,732-5,754	-	66
Sys Software Spec I-Tech	-	-	1.0	4,731-5,753	-	66
Exec Asst	-	-	1.0	3,072-3,734	-	40
Overtime	-	-	-	-	-	12
Totals, Executive Unit	-	-	<b>5.0</b>	-	-	<b>\$358</b>
Statewide Automated Welfare System (SAWS) Project:						
C.E.A. I	-	-	2.0	5,768-7,324	-	164
DP Mgr II	-	-	3.0	5,206-6,327	-	217
Sys Software Spec II-Tech	-	-	1.0	5,196-6,316	-	72
Staff Info Sys Analyst -Spec	-	-	4.0	4,732-5,754	-	254
Sys Software Spec I-Tech	-	-	1.0	4,731-5,753	-	66
Staff Services Mgr I	-	-	1.0	4,746-5,726	-	65
Asst Info Sys Analyst -Spec	-	-	2.0	4,316-5,247	-	120
Assoc Govtl Prog Analyst	-	-	3.0	4,111-4,997	-	171
Staff Services Analyst-Gen	-	-	2.0	2,632-4,155	-	95
Exec Asst	-	-	1.0	3,072-3,734	-	42
Ofc Techn-Typing	-	-	1.0	2,510-3,050	-	35
Temporary Help	-	-	0.4	-	-	23
Overtime	-	-	-	-	-	36
Totals, SAWS Project	-	-	<b>21.4</b>	-	-	<b>\$1,360</b>
Interim Statewide Automated Welfare System (ISAWS)						
Support:						
DP Mgr IV	-	-	1.0	6,964-7,678	-	88
DP Mgr II	-	-	3.0	5,206-6,327	-	215
Sys Software Spec II-Tech	-	-	3.0	5,196-6,316	-	210
Staff Info Sys Analyst -Spec	-	-	12.0	4,732-5,754	-	788
DP Mgr I	-	-	5.0	4,732-5,754	-	329
Sys Software Spec I-Tech	-	-	1.0	4,731-5,753	-	66
Assoc Info Sys Analyst -Spec	-	-	3.0	4,316-5,247	-	179
Assoc Govtl Prog Analyst	-	-	1.0	4,111-4,997	-	54
Asst Info Sys Analyst	-	-	1.0	2,902-4,363	-	50
Ofc Techn-Typing	-	-	2.0	2,510-3,050	-	67
Temporary Help	-	-	0.6	-	-	38
Overtime	-	-	-	-	-	322
Totals, ISAWS System Support	-	-	<b>32.6</b>	-	-	<b>\$2,406</b>
Welfare Data Tracking Implementation Project (WDTIP):						
DP Mgr III	-	-	1.0	6,334-6,984	-	80
Sys Software Spec III-Tech	-	-	1.0	5,709-6,938	-	79

\* Dollars in thousands, except in Salary Range.

**0530 Secretary for California Health and Human Services Agency - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Sr Info Sys Analyst-Spec	-	-	1.0	5,206-6,327	-	72
Staff Programmer Analyst-Spec	-	-	1.0	4,732-5,754	-	66
Sys Software Spec I-Tech	-	-	1.0	4,731-5,753	-	66
Assoc Programmer Analyst-Spec	-	-	1.0	4,316-5,247	-	59
Asst Info Sys Analyst	-	-	1.0	2,902-4,363	-	48
Totals, WDTIP	-	-	<b>7.0</b>	-	-	<b>\$470</b>
Electronic Benefit Transfer (EBT) Project:						
DP Mgr IV	-	-	1.0	6,964-7,678	-	88
DP Mgr II	-	-	0.8	5,206-6,327	-	58
Senior Info Systems Analyst	-	-	2.0	5,206-6,327	-	131
Sys Software Spec II-Tech	-	-	1.5	5,196-6,316	-	104
Staff Info Sys Analyst -Spec	-	-	3.0	4,732-5,754	-	191
Staff Services Mgr I	-	-	1.0	4,746-5,726	-	65
Assoc Govtl Prog Analyst	-	-	5.0	4,111-4,997	-	275
Mgt Services Techn	-	-	1.0	2,331-3,201	-	36
Ofc Techn-Typing	-	-	1.0	2,510-3,050	-	34
Totals, EBT Project	-	-	<b>16.3</b>	-	-	<b>\$982</b>
Child Welfare Services/Case Management System (CWS/CMS) Project:						
DP Mgr IV	-	-	1.0	6,964-7,678	-	88
DP Mgr III	-	-	1.0	6,334-6,984	-	80
C.E.A. I	-	-	1.0	5,768-7,324	-	69
DP Mgr II	-	-	2.0	5,206-6,327	-	137
Senior Info Systems Analyst	-	-	2.0	5,206-6,327	-	138
DP Mgr I	-	-	3.0	4,732-5,754	-	198
Staff Info Sys Analyst-Spec	-	-	12.0	4,732-5,754	-	768
Staff Services Mgr I	-	-	1.0	4,746-5,726	-	65
Assoc Info Sys Analyst-Spec	-	-	25.0	4,316-5,247	-	1,480
Assoc Govtl Prog Analyst	-	-	4.5	4,111-4,997	-	255
Staff Services Analyst-Gen	-	-	2.0	2,632-4,155	-	92
Ofc Services Supvr II-Gen	-	-	1.0	2,759-3,355	-	38
Ofc Techn-Typing	-	-	3.0	2,510-3,050	-	101
Overtime	-	-	-	-	-	15
Totals, CWS/CMS Project	-	-	<b>58.5</b>	-	-	<b>\$3,524</b>
Statewide Fingerprint Imaging System (SFIS) Project:						
Systems Software Spec II-Tech	-	-	1.0	5,196-6,316	-	72
Staff Info Systems Analyst-Spec	-	-	1.0	4,732-5,754	-	66
Assoc Info Systems Analyst-Spec	-	-	2.0	4,316-5,247	-	120
Asst Info Systems Analyst	-	-	1.0	2,902-4,363	-	49
Office Techn-Typing	-	-	1.0	2,510-3,050	-	33
Overtime	-	-	-	-	-	4
Totals, SFIS Project	-	-	<b>6.0</b>	-	-	<b>\$344</b>
Unemployment Insurance Modernization (UI MOD) Project:						
C.E.A. I (1.0 pos. expires 6/30/09)	-	-	1.0	5,768-7,324	-	84
Senior Info Systems Analyst-Spec (1.0 pos. expires 6/30/09)	-	-	1.0	5,206-6,327	-	72
Assoc Govtl Prog Analyst (2.0 pos. expire 6/30/09)	-	-	2.0	4,111-4,997	-	114
Mgt Services Techn (1.0 pos. expires 6/30/09)	-	-	1.0	2,331-3,201	-	29
Totals, UI MOD Project	-	-	<b>5.0</b>	-	-	<b>\$299</b>
Totals, Transfer from HHSDC	-	-	<b>175.8</b>	-	-	<b>\$10,981</b>

\* Dollars in thousands, except in Salary Range.

**0530 Secretary for California Health and Human Services Agency - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Workload & Admin Adjustments	-	-	175.8	-	-	\$10,981
Adjustment per Section 4.35:						
Staff Asst	-	-1.0	-1.0	1,442-2,636	-37	-37
Totals	-	-1.0	-1.0	-	-\$37	-\$37
Proposed New Positions:						
Office of System Integration:						
DP Mgr IV	-	-	1.0	6,964-7,678	-	90
DP Mgr III	-	-	2.0	6,334-6,984	-	96
Staff Services Mgr II	-	-	1.0	5,211-6,361	-	77
Sr Info Systems Analyst-Spec (1.0 pos. expires 2/28/07)	-	-	6.0	5,206-6,327	-	237
DP Mgr II (1.0 pos. 2/28/06 through 2/28/08)	-	-	1.0	5,206-6,327	-	29
Staff Info Systems Analyst-Spec (1.0 pos. expires 6/30/07)	-	-	5.0	4,732-5,754	-	202
Assoc Govtl Program Analyst (1.0 pos expires 2/28/07)	-	-	4.0	4,111-4,997	-	154
Management Services Technician	-	-	1.0	2,331-2,835	-	33
Office Techn-Typing	-	-	1.0	2,510-3,050	-	19
Overtime	-	-	-	-	-	47
Totals, Proposed New Positions	-	-	22.0	-	-	\$984
Total Adjustments	-	-1.0	196.8	-	\$91	\$12,326
<b>TOTALS, SALARIES AND WAGES</b>	<b>23.5</b>	<b>39.0</b>	<b>236.8</b>	<b>\$1,859</b>	<b>\$2,985</b>	<b>\$15,230</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$485	\$1,925	\$1,941
Allocation for employee compensation	-	57	-
Adjustment per Section 3.60	68	15	-
Adjustment per Section 4.35	-	-62	-
Adjustment per Section 4.60 (Rental Rate)	-	3	-
017 Budget Act appropriation	2,971	2,914	2,992
Allocation for employee compensation	-	32	-
Adjustment per Section 3.60	52	9	-
Adjustment per Section 4.35	-	-12	-
Adjustment per Section 4.60 (Rental Rate)	-	3	-
<b>Totals Available</b>	<b>\$3,576</b>	<b>\$4,884</b>	<b>\$4,933</b>
Unexpended balance, estimated savings	-1,780	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,796</b>	<b>\$4,884</b>	<b>\$4,933</b>
<b>0632 California Health and Human Services Agency Data Center Revolving Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	-	\$222,974
<b>TOTALS, EXPENDITURES</b>	-	-	<b>\$222,974</b>
<b>0933 Managed Care Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	\$364	\$364
<b>TOTALS, EXPENDITURES</b>	-	<b>\$364</b>	<b>\$364</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			

\* Dollars in thousands, except in Salary Range.

## 0530 Secretary for California Health and Human Services Agency - Continued

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
Reimbursements	\$1,744	\$1,808	\$1,818
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$3,540</b>	<b>\$7,056</b>	<b>\$230,089</b>

## 0540 Secretary for Resources

The mission of the Resources Agency is to restore, protect and manage the state's natural, historical and cultural resources for current and future generations using creative approaches and solutions based on science, collaboration and respect for all involved communities. The Secretary for Resources, a member of the Governor's Cabinet, sets the policies and coordinates the environmental preservation and restoration activities of 25 various departments, boards, commissions, and conservancies, and directly administers the Sea Grant Program, California Environmental Quality Act (CEQA) and the Environmental Enhancement and Mitigation Demonstration Program.

The Resources Agency consists of the departments of Forestry and Fire Protection, Conservation, Fish and Game, Boating and Waterways, Parks and Recreation, and Water Resources; the State Lands Commission; the Colorado River Board; the San Francisco Bay Conservation and Development Commission; the State Reclamation Board; the Energy Resources Conservation and Development Commission; the Wildlife Conservation Board; the Delta Protection Commission; the California Conservation Corps; the California Coastal Commission; the State Coastal Conservancy; the California Tahoe Conservancy; the Santa Monica Mountains Conservancy; the Coachella Valley Mountains Conservancy; the San Joaquin River Conservancy; the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy; the Baldwin Hills Conservancy; the San Diego River Conservancy; the Sierra Nevada Conservancy; the California Bay Delta Authority; and the Special Resources Program.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Administration of Resources Agency	27.5	36.6	36.6	\$148,346	\$72,423	\$58,062
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>27.5</b>	<b>36.6</b>	<b>36.6</b>	<b>\$148,346</b>	<b>\$72,423</b>	<b>\$58,062</b>

	2003-04*	2004-05*	2005-06*
<b>FUNDING</b>			
0005 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	\$26,395	\$1,284	\$214
0140 California Environmental License Plate Fund	2,261	2,659	2,968
0183 Environmental Enhancement and Mitigation Demonstration Program Fund	42	90	101
0383 Natural Resources Infrastructure Fund	-	10,000	-
0546 Bay-Delta Ecosystem Restoration Account	93,281	-	-
0890 Federal Trust Fund	56	269	184
0995 Reimbursements	458	515	521
6015 River Protection Subaccount	5,525	3,291	-
6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund	19,442	38,051	9,650
6031 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002	886	16,264	44,424
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$148,346</b>	<b>\$72,423</b>	<b>\$58,062</b>

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Government Code Sections 12800, 12801, 12802.5, 12805, 12807-12810, 12850-12850.7, 12851-12855. Public Resources Code Section 36000.

### MAJOR PROGRAM CHANGES

- River Parkways Program - The Budget includes \$38.35 million (\$30.5 million Proposition 50 and \$7.85 million Proposition 40 bond funds) to provide grants for the development and protection of river parkways. These grants fund various projects such as park development, habitat restoration and the development of public access trails along state rivers.
- Sierra Nevada Cascade Program - The Budget includes \$11.65 million from Proposition 50 to provide grants for the acquisition of land and water resources to protect lakes, reservoirs, rivers, streams, and wetlands in the Sierra Nevada region. The Secretary for Resources will coordinate with the newly created Sierra Nevada Conservancy to ensure the environmental preservation of the Sierra Nevada region.

### DETAILED BUDGET ADJUSTMENTS

\* Dollars in thousands, except in Salary Range.

**0540 Secretary for Resources - Continued**

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Other Baseline Adjustments	\$-	-\$1	-	\$-	\$520	-
• Employee Compensation/Retirement	-	157	-	-	175	-
• Carryover: Proposition 40 Urban Streams	-	4,575	-	-	-	-
• Carryover: River Parkways Program	-	36,176	-	-	-	-
• One-Time Cost Reductions: Tideland Oil Revenue-- Ocean Protection Act	-	-	-	-	-10,000	-
• One-Time Cost Reductions: Proposition 50 River Parkways and Sierra Nevada Programs	-	-	-	-	-14,150	-
<b>Policy Adjustment Descriptions</b>						
• Proposition 40 and Proposition 50--River Parkways and Sierra Nevada Programs	-	-	-	-	50,000	-
• Coastal Impact Assistance Program--Extension of Liquidation Period	-	-	-	-	-	-

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
	PERSONAL SERVICES					
Authorized Positions (Equals Sch. 7A)	27.5	40.1	40.1	\$1,964	\$2,701	\$2,779
Total Adjustments	-	-2.0	-2.0	-	-55	-37
Estimated Salary Savings	-	-1.5	-1.5	-	-258	-280
Net Totals, Salaries and Wages	<b>27.5</b>	<b>36.6</b>	<b>36.6</b>	<b>\$1,964</b>	<b>\$2,388</b>	<b>\$2,462</b>
Staff Benefits	-	-	-	724	788	813
Totals, Personal Services	<b>27.5</b>	<b>36.6</b>	<b>36.6</b>	<b>\$2,688</b>	<b>\$3,176</b>	<b>\$3,275</b>
OPERATING EXPENSES AND EQUIPMENT				\$2,199	\$18,921	\$4,787
SPECIAL ITEMS OF EXPENSE						
Bay-Delta Ecosystem Restoration Projects				93,281	-	-
Totals, Special Items of Expense				<b>\$93,281</b>	-	-
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$98,168</b>	<b>\$22,097</b>	<b>\$8,062</b>

2 Local Assistance	Expenditures		
	2003-04*	2004-05*	2005-06*
Grants and subventions	\$50,178	\$50,326	\$50,000
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$50,178</b>	<b>\$50,326</b>	<b>\$50,000</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	27.5	40.1	40.1	\$1,964	\$2,701	\$2,779
Salary adjustments	-	-	-	-	79	97
Workload and Administrative Adjustments:				<b>Salary Range</b>		
Reductions in Authorized Positions:						
Assoc Gov Program Analyst	-	-1.0	-1.0	4,111-4,997	-78	-78
Totals, Workload & Admin Adjustments	-	-1.0	-1.0	-	-78	-78
Adjustment per Section 4.35:						

\* Dollars in thousands, except in Salary Range.

## 0540 Secretary for Resources - Continued

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Staff Assistant	-	-1.0	-1.0	6,172-6,674	-56	-56
Totals	-	-1.0	-1.0	-	-\$56	-\$56
Total Adjustments	-	-2.0	-2.0	-	-\$55	-\$37
<b>TOTALS, SALARIES AND WAGES</b>	<b>27.5</b>	<b>38.1</b>	<b>38.1</b>	<b>\$1,964</b>	<b>\$2,646</b>	<b>\$2,742</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	-	-
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>0005 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$200	\$204	\$214
Allocation for employee compensation	-	6	-
Adjustment per Section 3.60	4	1	-
<b>Totals Available</b>	<b>\$204</b>	<b>\$211</b>	<b>\$214</b>
Unexpended balance, estimated savings	-105	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$99</b>	<b>\$211</b>	<b>\$214</b>
<b>0140 California Environmental License Plate Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,507	\$2,581	\$2,968
Allocation for employee compensation	-	29	-
Adjustment per Section 3.60	89	55	-
Adjustment per Section 4.10	-39	-	-
Adjustment per Section 4.35	-	-56	-
Adjustment per Section 4.60 (Rental Rate)	-	4	-
Adjustment per Section 5.30 (Attorney General Legal Services Increased Rates)	-	46	-
<b>Totals Available</b>	<b>\$2,557</b>	<b>\$2,659</b>	<b>\$2,968</b>
Unexpended balance, estimated savings	-296	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$2,261</b>	<b>\$2,659</b>	<b>\$2,968</b>
<b>0183 Environmental Enhancement and Mitigation Demonstration Program Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$90	\$90	\$101
<b>Totals Available</b>	<b>\$90</b>	<b>\$90</b>	<b>\$101</b>
Unexpended balance, estimated savings	-48	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$42</b>	<b>\$90</b>	<b>\$101</b>
<b>0383 Natural Resources Infrastructure Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	\$10,000	-
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>\$10,000</b>	<b>-</b>
<b>0546 Bay-Delta Ecosystem Restoration Account</b>			
APPROPRIATIONS			
Prior year balances available:			
Item 0540-001-0546, Budget Act of 2002	\$94,716	-	-
<b>Totals Available</b>	<b>\$94,716</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	-1,435	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$93,281</b>	<b>-</b>	<b>-</b>
<b>0890 Federal Trust Fund</b>			

\* Dollars in thousands, except in Salary Range.

**0540 Secretary for Resources - Continued**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
APPROPRIATIONS			
001 Budget Act appropriation	\$255	\$269	\$184
Budget Adjustment	<u>-199</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$56</b>	<b>\$269</b>	<b>\$184</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$458	\$515	\$521
<b>6015 River Protection Subaccount</b>			
APPROPRIATIONS			
001 Budget Act appropriation	<u>\$16</u>	<u>\$16</u>	<u>-</u>
<b>Totals Available</b>	<b>\$16</b>	<b>\$16</b>	<b>-</b>
Unexpended balance, estimated savings	<u>-1</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$15</b>	<b>\$16</b>	<b>-</b>
<b>6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$6,462	\$1,627	\$1,800
Allocation for employee compensation	-	15	-
Adjustment per Section 3.60	14	6	-
Prior year balances available:			
Item 0540-001-6029, Budget Act of 2002, as reappropriated by Item 0540-491, Budget Act of 2003	175	-	-
Item 0540-001-6029, Budget Act of 2003, as reappropriated by Item 0540-490, Budget Act of 2004	<u>-</u>	<u>4,575</u>	<u>-</u>
<b>Totals Available</b>	<b>\$6,651</b>	<b>\$6,223</b>	<b>\$1,800</b>
Unexpended balance, estimated savings	-1,006	-	-
Balance available in subsequent years	<u>-4,575</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$1,070</b>	<b>\$6,223</b>	<b>\$1,800</b>
<b>6031 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,591	\$2,065	\$2,274
Allocation for employee compensation	-	28	-
Adjustment per Section 3.60	14	16	-
Adjustment per Section 5.30 (Attorney General Legal Services Increased Rates)	<u>-</u>	<u>5</u>	<u>-</u>
<b>Totals Available</b>	<b>\$1,605</b>	<b>\$2,114</b>	<b>\$2,274</b>
Unexpended balance, estimated savings	<u>-719</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$886</b>	<b>\$2,114</b>	<b>\$2,274</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$98,168</b>	<b>\$22,097</b>	<b>\$8,062</b>
<b>2 LOCAL ASSISTANCE</b>			
<b>0005 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Item 0540-101-0005, Budget Act of 2000, as reappropriated by Item 0540-490, Budget Act of 2002	\$27,369	\$1,073	-
<b>Totals Available</b>	<b>\$27,369</b>	<b>\$1,073</b>	<b>-</b>
Balance available in subsequent years	<u>-1,073</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$26,296</b>	<b>\$1,073</b>	<b>-</b>
<b>6015 River Protection Subaccount</b>			
APPROPRIATIONS			

\* Dollars in thousands, except in Salary Range.

**0540 Secretary for Resources - Continued**

<b>2 LOCAL ASSISTANCE</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
Prior year balances available:			
Item 0540-101-6015, Budget Act of 2001, as reappropriated by Item 0540-491, Budget Act of 2002	\$1,360	\$850	-
Item 0540-101-6015, Budget Act of 2002	<u>7,425</u>	<u>2,425</u>	<u>-</u>
<b>Totals Available</b>	<b>\$8,785</b>	<b>\$3,275</b>	<b>-</b>
Balance available in subsequent years	<u>-3,275</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$5,510</b>	<b>\$3,275</b>	<b>-</b>
<b>6029 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	-	-	\$7,850
Prior year balances available:			
Item 0540-101-6029, Budget Act of 2002	<u>\$50,200</u>	<u>\$31,828</u>	<u>-</u>
<b>Totals Available</b>	<b>\$50,200</b>	<b>\$31,828</b>	<b>\$7,850</b>
Balance available in subsequent years	<u>-31,828</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$18,372</b>	<b>\$31,828</b>	<b>\$7,850</b>
<b>6031 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002</b>			
APPROPRIATIONS			
101 Budget Act appropriation	-	-	\$42,150
Chapter 230, Statutes of 2004	<u>-</u>	<u>\$14,150</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<u>-</u>	<u>\$14,150</u>	<u>\$42,150</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<u>\$50,178</u>	<u>\$50,326</u>	<u>\$50,000</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$148,346</b>	<b>\$72,423</b>	<b>\$58,062</b>

**0550 Secretary for Youth and Adult Correctional Agency**

The Youth and Adult Correctional Agency is headed by the Secretary of the Youth and Adult Correctional Agency who reports directly to the Governor, and is responsible for general oversight of the Agency's subordinate entities. These entities include the California Department of Corrections, Department of the Youth Authority, Youth Authority Board, Board of Prison Terms, Board of Corrections, Narcotic Addict Evaluation Authority, and Commission on Correctional Peace Officers' Standards and Training.

The mission of the Agency is to improve public safety through evidence-based crime prevention and recidivism reduction strategies. The Agency's vision is to end the causes and tragic effects of crime, violence, and victimization in our communities through a collaborative effort that provides:

- Intervention to at-risk populations
- Quality services from time of arrest
- Successful integration back into society

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	<u>Positions</u>			<u>Expenditures</u>		
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
10 Youth and Adult Correctional Agency	7.5	20.8	20.8	\$1,220	\$2,801	\$2,816
97 Unallocated Reduction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-43</u>
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>7.5</b>	<b>20.8</b>	<b>20.8</b>	<b>\$1,220</b>	<b>\$2,801</b>	<b>\$2,773</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001 General Fund				\$872	\$2,801	\$2,773
0995 Reimbursements				<u>348</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$1,220</b>	<b>\$2,801</b>	<b>\$2,773</b>

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

\* Dollars in thousands, except in Salary Range.

**0550 Secretary for Youth and Adult Correctional Agency - Continued**

Government Code, Division 3, Chapter 1.

**DETAILED BUDGET ADJUSTMENTS**

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Retirement Rate Adjustments	\$101	\$-	-	\$101	\$-	-
• Employee Compensation Adjustments	80	-	-	86	-	-
• Other Baseline Adjustments	-	-	-	9	-	-
<b>Policy Adjustment Descriptions</b>						
• Unallocated State Operations Reduction	-	-	-	-43	-	-

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 SECRETARY FOR THE YOUTH AND ADULT CORRECTIONAL AGENCY

The objectives of the Youth and Adult Correctional Agency are as follows:

- Ensure a well-trained and quality workforce.
- Develop information technology strategies and implement systems capable of managing current and future needs.
- Achieve organizational excellence in operations and systems.
- Develop preventive strategies to preclude class action suits and remedy legal compliance issues.
- Develop a comprehensive crime prevention program and use evidence-based research to reduce criminality and victimization.
- Seek out partnerships and develop meaningful programs and processes to promote shared responsibility for community safety.
- Develop an organizational design and system that provides efficient delivery of quality health care.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>YOUTH AND ADULT CORRECTIONAL AGENCY</b>			
	State Operations:			
0001	General Fund	\$872	\$2,801	\$2,816
0995	Reimbursements	348	-	-
	Totals, State Operations	<b>\$1,220</b>	<b>\$2,801</b>	<b>\$2,816</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>97</b>	<b>UNALLOCATED REDUCTION</b>			
	State Operations:			
0001	General Fund	-	-	-43
	Totals, State Operations	-	-	<b>-43</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	1,220	2,801	2,773
	<b>Totals, Expenditures</b>	<b>\$1,220</b>	<b>\$2,801</b>	<b>\$2,773</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

	1 State Operations			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	7.5	21.0	21.0	\$635	\$1,778	\$1,819
Total Adjustments	-	-	-	-	72	77
Estimated Salary Savings	-	-0.2	-0.2	-	-18	-18
Net Totals, Salaries and Wages	<b>7.5</b>	<b>20.8</b>	<b>20.8</b>	<b>\$635</b>	<b>\$1,832</b>	<b>\$1,878</b>
Staff Benefits	-	-	-	155	437	441

\* Dollars in thousands, except in Salary Range.

Totals, Personal Services	7.5	20.8	20.8	\$790	\$2,269	\$2,319
OPERATING EXPENSES AND EQUIPMENT				\$430	\$532	\$497

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\* Dollars in thousands, except in Salary Range.

**0550 Secretary for Youth and Adult Correctional Agency - Continued**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Unallocated Reduction				-	-	-43
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$1,220</b>	<b>\$2,801</b>	<b>\$2,773</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	7.5	21.0	21.0	\$635	\$1,778	\$1,819
Salary adjustments	-	-	-	-	72	77
Total Adjustments	-	-	-	-	\$72	\$77
<b>TOTALS, SALARIES AND WAGES</b>	<b>7.5</b>	<b>21.0</b>	<b>21.0</b>	<b>\$635</b>	<b>\$1,850</b>	<b>\$1,896</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$938	\$2,620	\$2,773
Allocation for employee compensation	-	80	-
Adjustment per Section 3.60	67	101	-
Reduction per Section 4.10	-141	-	-
Adjustment per Section 4.10	41	-	-
<b>Totals Available</b>	<b>\$905</b>	<b>\$2,801</b>	<b>\$2,773</b>
Unexpended balance, estimated savings	-33	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$872</b>	<b>\$2,801</b>	<b>\$2,773</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$348	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$1,220</b>	<b>\$2,801</b>	<b>\$2,773</b>

**0552 Office of the Inspector General**

The Office of the Inspector General has the responsibility for oversight of the State's correctional system through audits and investigations of the boards and departments within the Youth and Adult Correctional Agency. Although the duties required of the Inspector General's Office are complex, its mission is clear: to protect public safety by safeguarding the integrity of California's correctional system.

The Office of the Inspector General promotes accountability through objective, independent investigations, reviews, and audits of California's correctional system. As a result of the audits and investigations, the Inspector General provides impartial analysis and policy recommendations to the Governor, the Legislature, correctional administrators, and the public.

Established within the Office of the Inspector General is the Bureau of Independent Review. The Bureau of Independent Review ensures that internal affairs cases of the Departments of Corrections and Youth Authority are handled in a timely and professionally sound manner, through the oversight of investigations and employee discipline at these departments.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Office of the Inspector General	39.7	52.0	52.0	\$4,903	\$8,859	\$8,980
97 Unallocated Reduction	-	-	-	-	-	-137
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>39.7</b>	<b>52.0</b>	<b>52.0</b>	<b>\$4,903</b>	<b>\$8,859</b>	<b>\$8,843</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001 General Fund				\$4,698	\$8,859	\$8,843

\* Dollars in thousands, except in Salary Range.

## 0552 Office of the Inspector General - Continued

FUNDING	2003-04*	2004-05*	2005-06*
0995 Reimbursements	205	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$4,903</b>	<b>\$8,859</b>	<b>\$8,843</b>

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

Penal Code, Part III, Title 7, Chapter 8.2, Sections 6125 to 6129.

**MAJOR PROGRAM CHANGES**

- Development of Workload Budget - Governor Schwarzenegger signed Chapter 733, Statutes of 2004 (SB 1342), which established specific requirements and protocols for the Office of the Inspector General (OIG) to follow when conducting investigations. In order to implement this legislation and ensure that the OIG has the appropriate level of resources, the OIG, in consultation with the Department of Finance, is in the process of developing a methodology for producing a workload budget consistent with the legislative requirements. Details of this methodology and associated funding needs will be provided as part of the May Revision.

**DETAILED BUDGET ADJUSTMENTS**

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Employee Compensation Adjustments	\$365	\$-	-	\$425	\$-	-
• Retirement Rate Adjustments	236	-	-	236	-	-
• Price Increase	-	-	-	61	-	-
<b>Policy Adjustment Descriptions</b>						
• Unallocated State Operations Reduction	-	-	-	-137	-	-

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>OFFICE OF THE INSPECTOR GENERAL</b>			
	State Operations:			
0001	General Fund	\$4,698	\$8,859	\$8,980
0995	Reimbursements	205	-	-
	Totals, State Operations	<b>\$4,903</b>	<b>\$8,859</b>	<b>\$8,980</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>97</b>	<b>UNALLOCATED REDUCTION</b>			
	State Operations:			
0001	General Fund	-	-	-\$137
	Totals, State Operations	-	-	-\$137
<b>TOTALS, EXPENDITURES</b>				
	State Operations	4,903	8,859	8,843
	<b>Totals, Expenditures</b>	<b>\$4,903</b>	<b>\$8,859</b>	<b>\$8,843</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	39.7	53.0	53.0	\$2,918	\$4,464	\$4,472
Total Adjustments	-	-	-	-	333	376
Estimated Salary Savings	-	-1.0	-1.0	-	-54	-54
Net Totals, Salaries and Wages	<b>39.7</b>	<b>52.0</b>	<b>52.0</b>	<b>\$2,918</b>	<b>\$4,743</b>	<b>\$4,794</b>

\* Dollars in thousands, except in Salary Range.

Staff Benefits	-	-	-	967	1,979	1,998
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\* Dollars in thousands, except in Salary Range.

## 0552 Office of the Inspector General - Continued

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Personal Services	39.7	52.0	52.0	\$3,885	\$6,722	\$6,792
OPERATING EXPENSES AND EQUIPMENT				\$1,018	\$2,137	\$2,188
Unallocated Reduction				-	-	-137
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$4,903</b>	<b>\$8,859</b>	<b>\$8,843</b>

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	39.7	53.0	53.0	\$2,918	\$4,464	\$4,472
Salary adjustments	-	-	-	-	333	376
Total Adjustments	-	-	-	-	<b>\$333</b>	<b>\$376</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>39.7</b>	<b>53.0</b>	<b>53.0</b>	<b>\$2,918</b>	<b>\$4,797</b>	<b>\$4,848</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,687	\$8,258	\$8,843
Allocation for employee compensation	-	365	-
Allocation for contingencies or emergencies	1,962	-	-
Adjustment per Section 3.60	121	236	-
Reduction per Section 4.10	-403	-	-
Adjustment per Section 4.10	377	-	-
<b>Totals Available</b>	<b>\$4,744</b>	<b>\$8,859</b>	<b>\$8,843</b>
Unexpended balance, estimated savings	-46	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$4,698</b>	<b>\$8,859</b>	<b>\$8,843</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$205	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$4,903</b>	<b>\$8,859</b>	<b>\$8,843</b>

## 0553 Office of the Inspector General for Veterans Affairs

The Office of the Inspector General for Veterans Affairs reviewed the operations of veterans programs supported by the State, conducted audits and investigations of State veterans programs, and made recommendations for improving the operations of those programs. The Office of the Inspector General for Veterans Affairs was eliminated in the Budget Act of 2004, due to the existence of other entities with oversight over veterans programs.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Office of the Inspector General for Veterans Affairs	2.2	-	-	\$220	\$-	\$-
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>2.2</b>	<b>-</b>	<b>-</b>	<b>\$220</b>	<b>\$-</b>	<b>\$-</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001 General Fund				\$167	\$-	\$-
0592 Veterans' Farm and Home Building Fund of 1943				53	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$220</b>	<b>\$-</b>	<b>\$-</b>

### LEGAL CITATIONS AND AUTHORITY

\* Dollars in thousands, except in Salary Range.

**0553 Office of the Inspector General for Veterans Affairs - Continued**

DEPARTMENT AUTHORITY

The office was eliminated in the Budget Act of 2004 (Chapter 208, Statutes of 2004).

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>10 OFFICE OF THE INSPECTOR GENERAL FOR VETERANS AFFAIRS</b>			
State Operations:			
0001 General Fund	\$167	-	-
0592 Veterans' Farm and Home Building Fund of 1943	<u>53</u>	<u>-</u>	<u>-</u>
Totals, State Operations	<b>\$220</b>	<b>-</b>	<b>-</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	<u>220</u>	<u>-</u>	<u>-</u>
<b>Totals, Expenditures</b>	<b>\$220</b>	<b>-</b>	<b>-</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	<u>2.2</u>	<u>-</u>	<u>-</u>	<u>\$107</u>	<u>-</u>	<u>-</u>
Net Totals, Salaries and Wages	<b>2.2</b>	<b>-</b>	<b>-</b>	<b>\$107</b>	<b>-</b>	<b>-</b>
Staff Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>-</u>	<u>-</u>
Totals, Personal Services	<b>2.2</b>	<b>-</b>	<b>-</b>	<b>\$133</b>	<b>-</b>	<b>-</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
				<u>\$87</u>	<u>-</u>	<u>-</u>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$220</b>	<b>-</b>	<b>-</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$358	-	-
Adjustment per Section 3.60	13	-	-
Reduction per Section 4.10	-54	-	-
Adjustment per Section 4.10	<u>7</u>	<u>-</u>	<u>-</u>
<b>Totals Available</b>	<b>\$324</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	<u>-157</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$167</b>	<b>-</b>	<b>-</b>
<b>0592 Veterans' Farm and Home Building Fund of 1943</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$99	-	-
Adjustment per Section 3.60	3	-	-
Reduction per Section 4.10	<u>-2</u>	<u>-</u>	<u>-</u>
<b>Totals Available</b>	<b>\$100</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	<u>-47</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$53</b>	<b>-</b>	<b>-</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$220</b>	<b>-</b>	<b>-</b>

\* Dollars in thousands, except in Salary Range.

## 0555 Secretary for Environmental Protection

The Secretary for Environmental Protection (Cal/EPA) manages the State's environmental protection programs and, as a member of the Governor's Cabinet, advises the Governor on environmental policy matters. The following organizations are under the purview of the Secretary: California Air Resources Board, California Integrated Waste Management Board, Department of Pesticide Regulation, State Water Resources Control Board, Department of Toxic Substances Control, and Office of Environmental Health Hazard Assessment.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
30 Support	41.5	32.9	32.9	\$6,571	\$8,347	\$8,549
97 Unallocated Reduction	-	-	-	-	-	-21
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>41.5</b>	<b>32.9</b>	<b>32.9</b>	<b>\$6,571</b>	<b>\$8,347</b>	<b>\$8,528</b>

### FUNDING

	2003-04*	2004-05*	2005-06*
0001 General Fund	\$1,325	\$1,325	\$1,321
0014 Hazardous Waste Control Account	341	282	294
0028 Unified Program Account	1,062	1,026	994
0044 Motor Vehicle Account, State Transportation Fund	648	615	648
0100 California Used Oil Recycling Fund	32	28	29
0106 Department of Pesticide Regulation Fund	210	179	428
0193 Waste Discharge Permit Fund	-	-	83
0235 Public Resources Account, Cigarette and Tobacco Products Surtax Fund	-	-	50
0281 Recycling Market Development Revolving Loan Subaccount	155	129	134
0387 Integrated Waste Management Account, Integrated Waste Management Fund	470	420	492
0439 Underground Storage Tank Cleanup Fund	55	61	664
0679 State Water Quality Control Fund	151	111	117
0995 Reimbursements	2,150	2,021	1,000
1006 Rural CUPA Reimbursement Account	-169	-	-
8013 Environmental Enforcement and Training Account	141	2,000	2,124
8020 Environmental Education Account	-	150	150
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$6,571</b>	<b>\$8,347</b>	<b>\$8,528</b>

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Governor's Reorganization Plan No. 1 of 1991 and Health and Safety Code, Division 37, and Section 57004.

### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Other Baseline Adjustments	\$-	-\$160	-	\$17	\$8	-
• Employee Compensation/Retirement	-	206	-	-	223	-
<b>Policy Adjustment Descriptions</b>						
• Unallocated General Fund Reduction	-	-	-	-21	-	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 30 Support Program

The primary objectives of Cal/EPA programs are to restore, protect and enhance environmental quality, and protect public health while fostering economic vitality. The Secretary oversees the State's environmental regulatory programs with particular emphasis on ensuring "cross-media" coordination, enhancing risk assessment (especially for children and other sensitive populations), enforcing laws consistently and fairly, and objectively measuring and reporting results. The Secretary

\* Dollars in thousands, except in Salary Range.

also administers the children's environmental health, environmental justice, environmental law enforcement, and scientific

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\* Dollars in thousands, except in Salary Range.

## 0555 Secretary for Environmental Protection - Continued

peer review programs.

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>			
<b>30 SUPPORT</b>			
State Operations:			
0001 General Fund	\$1,325	\$1,325	\$1,342
0014 Hazardous Waste Control Account	341	282	294
0028 Unified Program Account	1,062	1,026	994
0044 Motor Vehicle Account, State Transportation Fund	648	615	648
0100 California Used Oil Recycling Fund	32	28	29
0106 Department of Pesticide Regulation Fund	210	179	428
0193 Waste Discharge Permit Fund	-	-	83
0235 Public Resources Account, Cigarette and Tobacco Products Surtax Fund	-	-	50
0281 Recycling Market Development Revolving Loan Subaccount	155	129	134
0387 Integrated Waste Management Account, Integrated Waste Management Fund	470	420	492
0439 Underground Storage Tank Cleanup Fund	55	61	664
0679 State Water Quality Control Fund	151	111	117
0995 Reimbursements	2,150	2,021	1,000
1006 Rural CUPA Reimbursement Account	-169	-	-
8013 Environmental Enforcement and Training Account	141	2,000	2,124
8020 Environmental Education Account	-	150	150
Totals, State Operations	<b>\$6,571</b>	<b>\$8,347</b>	<b>\$8,549</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>97 UNALLOCATED REDUCTION</b>			
State Operations:			
0001 General Fund	-	-	-\$21
Totals, State Operations	-	-	-\$21
<b>TOTALS, EXPENDITURES</b>			
State Operations	6,571	8,347	8,528
<b>Totals, Expenditures</b>	<b>\$6,571</b>	<b>\$8,347</b>	<b>\$8,528</b>

### EXPENDITURES BY CATEGORY (Summary By Object)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>1 State Operations</b>						
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	41.5	38.0	38.0	\$3,004	\$2,668	\$2,696
Total Adjustments	-	-2.0	-2.0	-	-15	-6
Estimated Salary Savings	-	-3.1	-3.1	-	-132	-134
Net Totals, Salaries and Wages	<b>41.5</b>	<b>32.9</b>	<b>32.9</b>	<b>\$3,004</b>	<b>\$2,521</b>	<b>\$2,556</b>
Staff Benefits	-	-	-	814	937	952
Totals, Personal Services	<b>41.5</b>	<b>32.9</b>	<b>32.9</b>	<b>\$3,818</b>	<b>\$3,458</b>	<b>\$3,508</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				\$2,753	\$4,889	\$5,041
Unallocated Reduction				-	-	-21
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$6,571</b>	<b>\$8,347</b>	<b>\$8,528</b>

\* Dollars in thousands, except in Salary Range.

**0555 Secretary for Environmental Protection - Continued**

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	41.5	38.0	38.0	\$3,004	\$2,668	\$2,696
Salary adjustments	-	-	-	-	122	131
Adjustment per Section 4.35:				<b>Salary</b>		
				<b>Range</b>		
Special Asst	-	-1.0	-1.0	7,820-8,879	-103	-103
Staff Envirntl Scientist	-	-1.0	-1.0	2,875-5,336	-34	-34
Totals	-	-2.0	-2.0	-	-\$137	-\$137
Total Adjustments	-	-2.0	-2.0	-	-\$15	-\$6
<b>TOTALS, SALARIES AND WAGES</b>	<b>41.5</b>	<b>36.0</b>	<b>36.0</b>	<b>\$3,004</b>	<b>\$2,653</b>	<b>\$2,690</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$500	\$425	\$421
Adjustment per Section 4.10	-75	-	-
011 Budget Act appropriation (transfer to Rural CUPA Reimbursement Account)	900	900	900
<b>TOTALS, EXPENDITURES</b>	<b>\$1,325</b>	<b>\$1,325</b>	<b>\$1,321</b>
<b>0014 Hazardous Waste Control Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$341	\$297	\$294
Adjustment per Section 4.35	-	-15	-
<b>TOTALS, EXPENDITURES</b>	<b>\$341</b>	<b>\$282</b>	<b>\$294</b>
<b>0028 Unified Program Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$965	\$982	\$994
Allocation for employee compensation	-	28	-
Adjustment per Section 3.60	97	16	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,062</b>	<b>\$1,026</b>	<b>\$994</b>
<b>0044 Motor Vehicle Account, State Transportation Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$575	\$613	\$648
Allocation for employee compensation	-	18	-
Adjustment per Section 3.60	73	13	-
Adjustment per Section 4.35	-	-29	-
<b>TOTALS, EXPENDITURES</b>	<b>\$648</b>	<b>\$615</b>	<b>\$648</b>
<b>0100 California Used Oil Recycling Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$29	\$30	\$29
Adjustment per Section 3.60	3	-	-
Adjustment per Section 4.35	-	-2	-
<b>TOTALS, EXPENDITURES</b>	<b>\$32</b>	<b>\$28</b>	<b>\$29</b>
<b>0106 Department of Pesticide Regulation Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$210	\$183	\$428
Allocation for employee compensation	-	10	-
Adjustment per Section 3.60	-	5	-
Adjustment per Section 4.35	-	-19	-
<b>TOTALS, EXPENDITURES</b>	<b>\$210</b>	<b>\$179</b>	<b>\$428</b>

\* Dollars in thousands, except in Salary Range.

## 0555 Secretary for Environmental Protection - Continued

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0193 Waste Discharge Permit Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	-	\$83
<b>TOTALS, EXPENDITURES</b>	-	-	<b>\$83</b>
<b>0235 Public Resources Account, Cigarette and Tobacco Products Surtax Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	-	\$50
<b>TOTALS, EXPENDITURES</b>	-	-	<b>\$50</b>
<b>0281 Recycling Market Development Revolving Loan Subaccount</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$155	\$135	\$134
Adjustment per Section 4.35	-	-6	-
<b>TOTALS, EXPENDITURES</b>	<b>\$155</b>	<b>\$129</b>	<b>\$134</b>
<b>0387 Integrated Waste Management Account, Integrated Waste Management Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$436	\$433	\$492
Allocation for employee compensation	-	31	-
Adjustment per Section 3.60	34	6	-
Adjustment per Section 4.35	-	-50	-
<b>TOTALS, EXPENDITURES</b>	<b>\$470</b>	<b>\$420</b>	<b>\$492</b>
<b>0439 Underground Storage Tank Cleanup Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$55	\$48	\$664
Allocation for employee compensation	-	7	-
Adjustment per Section 3.60	-	8	-
Adjustment per Section 4.35	-	-2	-
<b>TOTALS, EXPENDITURES</b>	<b>\$55</b>	<b>\$61</b>	<b>\$664</b>
<b>0679 State Water Quality Control Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$151	\$134	\$117
Allocation for employee compensation	-	4	-
Adjustment per Section 3.60	-	10	-
Adjustment per Section 4.35	-	-37	-
<b>TOTALS, EXPENDITURES</b>	<b>\$151</b>	<b>\$111</b>	<b>\$117</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$2,150	\$2,021	\$1,000
<b>1006 Rural CUPA Reimbursement Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$900	\$900	\$900
<b>Totals Available</b>	<b>\$900</b>	<b>\$900</b>	<b>\$900</b>
Unexpended balance, estimated savings	-169	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$731</b>	<b>\$900</b>	<b>\$900</b>
Less funding provided by General Fund	-900	-900	-900
<b>NET TOTALS, EXPENDITURES</b>	<b>-\$169</b>	<b>-</b>	<b>-</b>
<b>8013 Environmental Enforcement and Training Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,000	\$2,000	\$2,124
<b>Totals Available</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,124</b>
Unexpended balance, estimated savings	-1,859	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$141</b>	<b>\$2,000</b>	<b>\$2,124</b>
<b>8020 Environmental Education Account</b>			

\* Dollars in thousands, except in Salary Range.

**0555 Secretary for Environmental Protection - Continued**

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
APPROPRIATIONS			
001 Budget Act appropriation	-	\$150	\$150
<b>TOTALS, EXPENDITURES</b>	<u>-</u>	<u>\$150</u>	<u>\$150</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$6,571</b>	<b>\$8,347</b>	<b>\$8,528</b>

**FUND CONDITION STATEMENTS**

	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>0028 Unified Program Account <sup>s</sup></b>			
BEGINNING BALANCE	\$1,766	\$1,617	\$1,322
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	2,943	3,200	3,200
150300 Income From Surplus Money Investments	<u>10</u>	<u>10</u>	<u>10</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$2,953</u>	<u>\$3,210</u>	<u>\$3,210</u>
Total Resources	\$4,719	\$4,827	\$4,532
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0555 Secretary for Environmental Protection (State Operations)	1,062	1,026	994
0690 Office of Emergency Services (State Operations)	612	637	654
0840 State Controller (State Operations)	-	2	3
3540 Dept of Forestry and Fire Protection (State Operations)	258	319	318
3940 State Water Resources Control Board (State Operations)	317	515	525
3960 Department of Toxic Substances Control (State Operations)	<u>853</u>	<u>1,006</u>	<u>992</u>
Total Expenditures and Expenditure Adjustments	<u>\$3,102</u>	<u>\$3,505</u>	<u>\$3,486</u>
FUND BALANCE	\$1,617	\$1,322	\$1,046
Reserve for economic uncertainties	1,617	1,322	1,046
<b>1006 Rural CUPA Reimbursement Account <sup>s</sup></b>			
BEGINNING BALANCE	-	\$509	\$509
Prior year adjustments	<u>\$340</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$340	\$509	\$509
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0555 Secretary for Environmental Protection (State Operations)	731	900	900
Expenditure Adjustments:			
0555 Secretary for Environmental Protection			
Less funding provided by General Fund (State Operations)	<u>-900</u>	<u>-900</u>	<u>-900</u>
Total Expenditures and Expenditure Adjustments	<u>-\$169</u>	<u>-</u>	<u>-</u>
FUND BALANCE	\$509	\$509	\$509
Reserve for economic uncertainties	509	509	509

**0558 Office of the Secretary for Education**

The Secretary for Education is responsible for advising the Governor and making recommendations on state education policy and legislation.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	<u>Positions</u>			<u>Expenditures</u>		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Office of the Secretary for Education	16.5	16.6	16.6	\$1,471	\$1,646	\$1,663
97 Unallocated Reduction	-	-	-	-	-	-26

\* Dollars in thousands, except in Salary Range.

## 0558 Office of the Secretary for Education - Continued

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	16.5	16.6	16.6	\$1,471	\$1,646	\$1,637
<b>FUNDING</b>				2003-04*	2004-05*	2005-06*
0001 General Fund				\$1,436	\$1,636	\$1,627
0995 Reimbursements				35	10	10
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$1,471</b>	<b>\$1,646</b>	<b>\$1,637</b>

The Secretary for Education (OSE), a member of the Governor's Cabinet, is responsible for advising the Governor and making recommendations on state education policy and legislation. The costs of the OSE are funded through the Governor's Office of Planning and Research. Legislation will be proposed in 2005 to establish the OSE in statute, effective on or before January 1, 2006.

## DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Employee Compensation Adjustment	\$53	\$-	-	\$56	\$-	-
• Retirement Rate Adjustment	6	-	-	6	-	-
• Cost of Living Increase Adjustment (Price)	-	-	-	6	-	-
• Rent Adjustment	-	-	-	2	-	-
<b>Policy Adjustment Descriptions</b>						
• State Operations Reduction	-	-	-	-13	-	-

## EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	16.5	17.0	17.0	\$881	\$925	\$925
Total Adjustments	-	-	-	-	41	41
Estimated Salary Savings	-	-0.4	-0.4	-	-23	-23
Net Totals, Salaries and Wages	16.5	16.6	16.6	\$881	\$943	\$943
Staff Benefits	-	-	-	241	218	221
Totals, Personal Services	16.5	16.6	16.6	\$1,122	\$1,161	\$1,164
<b>OPERATING EXPENSES AND EQUIPMENT</b>				\$597	\$485	\$499
Unallocated Reduction				-	-	-26
<b>TOTALS, POSITIONS AND EXPENDITURES ALL FUNDS (State Operations)</b>				<b>\$1,719</b>	<b>\$1,646</b>	<b>\$1,637</b>

## 2 Local Assistance

	Expenditures		
	2003-04*	2004-05*	2005-06*
Prior year balances available:			
Chapter 793, Statutes of 2000 (School to Career)	\$199	-	-
Unexpended balance, estimated savings	-447	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>-\$248</b>	<b>-</b>	<b>-</b>

## CHANGES IN AUTHORIZED POSITIONS

\* Dollars in thousands, except in Salary Range.

**0558 Office of the Secretary for Education - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	16.5	17.0	17.0	\$881	\$925	\$925
Salary adjustments	-	-	-	-	41	41
Total Adjustments	-	-	-	-	\$41	\$41
<b>TOTALS, SALARIES AND WAGES</b>	<b>16.5</b>	<b>17.0</b>	<b>17.0</b>	<b>\$881</b>	<b>\$966</b>	<b>\$966</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$855	\$786	\$843
Allocation from Office of Planning and Research	855	786	784
Adjustment per Section 3.60	80	53	-
Reduction per Section 4.10	-128	11	-
Adjustment per Section 4.10	128	-	-
<b>Totals Available</b>	<b>\$1,790</b>	<b>\$1,636</b>	<b>\$1,627</b>
Unexpended balance, estimated savings	-106	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,684</b>	<b>\$1,636</b>	<b>\$1,627</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$35	\$10	\$10
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$1,719</b>	<b>\$1,646</b>	<b>\$1,637</b>

2 LOCAL ASSISTANCE	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Chapter 793, Statutes of 2000	\$199	-	-
<b>Totals Available</b>	<b>\$199</b>	<b>-</b>	<b>-</b>
Unexpended balance, estimated savings	-447	-	-
<b>TOTALS, EXPENDITURES</b>	<b>-\$248</b>	<b>-</b>	<b>-</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>-\$248</b>	<b>-</b>	<b>-</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$1,471</b>	<b>\$1,646</b>	<b>\$1,637</b>

**0559 Secretary for Labor and Workforce Development Agency**

The Labor and Workforce Development Agency (Agency) was established in 2002 to address the important issues relating to California workers, as well as their employers. The Agency is primarily responsible for three different types of functions: (1) labor law enforcement; (2) workforce development; and, (3) benefit payment and adjudication. Chief among the goals of the Agency is the opportunity to better serve the workers and employers of this state by coordinating its many services and programs in an efficient, effective manner that is always relevant to current and future economic conditions.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Office of the Secretary for Labor and Workforce Development	11.3	13.2	13.2	\$2,037	\$2,158	\$2,177
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>11.3</b>	<b>13.2</b>	<b>13.2</b>	<b>\$2,037</b>	<b>\$2,158</b>	<b>\$2,177</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0995 Reimbursements				\$2,037	\$2,158	\$2,177
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$2,037</b>	<b>\$2,158</b>	<b>\$2,177</b>

**LEGAL CITATIONS AND AUTHORITY**

\* Dollars in thousands, except in Salary Range.

## 0559 Secretary for Labor and Workforce Development Agency - Continued

DEPARTMENT AUTHORITY

Government Code Sections 12800 and 12813.

### DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Various Baseline Adjustments	\$150	\$79	-	\$-	\$98	-
<b>Policy Adjustment Descriptions</b>						
• Current Year Savings from Ch. 221/04 (SB 1809)	-150	-	-	-	-	-

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>OFFICE OF THE SECRETARY FOR LABOR AND WORKFORCE DEVELOPMENT</b>			
	State Operations:			
	0995 Reimbursements	\$2,037	\$2,158	\$2,177
	Totals, State Operations	\$2,037	\$2,158	\$2,177
	<b>TOTALS, EXPENDITURES</b>			
	State Operations	2,037	2,158	2,177
	<b>Totals, Expenditures</b>	\$2,037	\$2,158	\$2,177

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	11.3	13.9	13.9	\$1,175	\$1,207	\$1,208
Total Adjustments	-	-	-	-	40	41
Estimated Salary Savings	-	-0.7	-0.7	-	-60	-60
Net Totals, Salaries and Wages	11.3	13.2	13.2	\$1,175	\$1,187	\$1,189
Staff Benefits	-	-	-	322	446	448
Totals, Personal Services	11.3	13.2	13.2	\$1,497	\$1,633	\$1,637
OPERATING EXPENSES AND EQUIPMENT				\$540	\$525	\$540
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				\$2,037	\$2,158	\$2,177

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	11.3	13.9	13.9	\$1,175	\$1,207	\$1,208
Salary adjustments	-	-	-	-	40	41
Total Adjustments	-	-	-	-	\$40	\$41
<b>TOTALS, SALARIES AND WAGES</b>	11.3	13.9	13.9	\$1,175	\$1,247	\$1,249

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
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\* Dollars in thousands, except in Salary Range.

0001 General Fund

\* Dollars in thousands, except in Salary Range.



**0559 Secretary for Labor and Workforce Development Agency - Continued**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
APPROPRIATIONS			
001 Budget Act appropriation	-	-	-
Chapter 221, Statutes of 2004	-	\$150	-
<b>Totals Available</b>	-	<b>\$150</b>	-
Unexpended balance, estimated savings	-	-150	-
<b>TOTALS, EXPENDITURES</b>	-	-	-
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$2,037	\$2,158	\$2,177
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$2,037</b>	<b>\$2,158</b>	<b>\$2,177</b>

**FUND CONDITION STATEMENTS**

	2003-04*	2004-05*	2005-06*
<b>3078 Labor and Workforce Development Fund <sup>§</sup></b>			
BEGINNING BALANCE	-	-	\$1
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
164300 Penalty Assessments	-	\$1	2
Total Revenues, Transfers, and Other Adjustments	-	\$1	\$2
Total Resources	-	\$1	\$3
FUND BALANCE	-	\$1	\$3
Reserve for economic uncertainties	-	1	3

**0650 Office of Planning and Research**

The Office of Planning and Research (OPR) assists the Governor and the Administration in planning, research, and liaison with local government. OPR also oversees programs for small business advocacy, rural policy, environmental justice, and helps implement decisions made within the Administration. In addition, the Office has responsibilities pertaining to state planning, California Environmental Quality Act (CEQA) assistance, environmental and federal project review procedures, and oversees the California Service Corps.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
11 State Planning and Policy Development	61.7	48.8	49.8	\$4,693	\$3,420	\$4,153
21 California Service Corps	19.5	21.0	21.0	17,095	43,818	43,164
97 Unallocated Reduction	-	-	-	-	-	-62
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>81.2</b>	<b>69.8</b>	<b>70.8</b>	<b>\$21,788</b>	<b>\$47,238</b>	<b>\$47,255</b>

FUNDING	2003-04*	2004-05*	2005-06*
0001 General Fund	\$4,200	\$2,878	\$4,076
0002 Property Acquisition Law Money Account	505	521	-
0890 Federal Trust Fund	16,737	42,761	42,779
0995 Reimbursements	346	1,078	400
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$21,788</b>	<b>\$47,238</b>	<b>\$47,255</b>

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Government Code Sections 4530-4535.3, 12035-12038, 12078, 13367.5(h), 13367.65, 15202, 56430, 56815.2, 65025-65049, 65050, 65302.6, 65420-65428, 65962.5, 66452.7, 66455.5, and 67470; Public Resources Code Sections 5096.89, 21080.3-21080.4, 21083-21087, 21159.9, 21165, 25616, and 30415; Fish and Game Code Section 711.4; Health and Safety

\* Dollars in thousands, except in Salary Range.

## 0650 Office of Planning and Research - Continued

Code Sections 25199-25199.9; Streets and Highways Code Section 228; Unemployment Insurance Code Section 10535; Welfare and Institutions Code Section 10807; California Administrative Code Sections 15051 and 15065.5.

### DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Replace Property Acquisition Law Money Account funding with General Fund	\$-	\$-	-	\$530	-\$530	-
• Rent Augmentation for Blue Anchor Building	-	-	-	286	-	-
• Employee Compensation Adjustments	157	114	-	168	121	-
• Retirement Rate Adjustments	83	56	-	83	56	-
• Price Increase	-	-	-	37	26	-
• Rental Rate Adjustments	-	-	-	6	5	-
• Pro Rata Adjustment	-	-	-	-	3	-
• SWCAP Adjustment	-	-	-	-	-13	-
• Other Baseline Adjustment (State Operations)	-	107	-	-	-572	-
• Other Baseline Adjustment (Local Assistance)	-	-5,800	-	-	-5,800	-
• Adjustment per Control Section 4.35	-1,635	-	-16.9	-1,635	-	-16.9
<b>Policy Adjustment Descriptions</b>						
• Office of Planning and Research Guidelines for Tribal Consultation	-	-	-	390	-	0.9
• Unallocated State Operations Reduction	-	-	-	-62	-	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 11 STATE PLANNING AND POLICY DEVELOPMENT

The major activities of the Office include: (1) recommending and implementing State policies with regard to land-use and growth planning; (2) carrying out a program of policy research for the Governor and Cabinet; (3) providing technical advice to local governments with regard to planning; (4) advising permit applicants and government agencies on provisions of the CEQA and operating the State Clearinghouse for environmental and federal grant documents; (5) managing the Governor's Innovation in Government program; (6) preparing guidelines and providing assistance to local agency formation commissions; and (7) conducting such other activities as the Governor may direct.

#### 21 CALIFORNIA SERVICE CORPS

The California Service Corps is dedicated to uniting individuals in service to their communities, promoting responsible citizenship, and achieving demonstrable results in addressing California's persistent unmet human, educational, public safety, and environmental needs. California Service Corps members, acting as "Ambassadors of Service" in their local communities, promote, support and build service opportunities and networks which encourage Californians of all backgrounds, abilities and ages to build a California where all residents understand the importance of community service and social responsibility.

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	81.2	91.1	91.1	\$4,359	\$4,811	\$4,811
Total Adjustments	-	-17.0	-16.0	-	-922	-922
Estimated Salary Savings	-	-4.3	-4.3	-	-250	-250
Net Totals, Salaries and Wages	<b>81.2</b>	<b>69.8</b>	<b>70.8</b>	<b>\$4,359</b>	<b>\$3,639</b>	<b>\$3,639</b>
Staff Benefits	-	-	-	962	837	837
Totals, Personal Services	<b>81.2</b>	<b>69.8</b>	<b>70.8</b>	<b>\$5,321</b>	<b>\$4,476</b>	<b>\$4,476</b>
OPERATING EXPENSES AND EQUIPMENT						
Unallocated Reduction	-	-	-	-	-	-62
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$6,970</b>	<b>\$7,238</b>	<b>\$7,255</b>

\* Dollars in thousands, except in Salary Range.

**0650 Office of Planning and Research - Continued**

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	81.2	91.1	91.1	\$4,359	\$4,811	\$4,811
Salary adjustments	-	-	-	-	228	143
Adjustment per Section 4.35						
Temporary Help	-	-17.0	-17.0	-	-1,150	-1,150
Total	-	-17.0	-17.0	-	-\$1,150	-\$1,150
Proposed New Positions:						
Temporary Help	-	-	1.0	-	-	85
Totals, Proposed New Positions	-	-	1.0	-	-	\$85
Total Adjustments	-	-17.0	-16.0	-	-\$922	-\$922
<b>TOTALS, SALARIES AND WAGES</b>	<b>81.2</b>	<b>74.1</b>	<b>75.1</b>	<b>\$4,359</b>	<b>\$3,889</b>	<b>\$3,889</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0001 General Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$4,009	\$4,273	\$4,076
Allocation for employee compensation	-	157	-
Adjustment per Section 3.60	264	83	-
Reduction per Section 4.10	-601	-	-
Adjustment per Section 4.10	601	-	-
Adjustment per Section 4.35	-	-1,635	-
011 Budget Act appropriation	855	786	784
Allocation for employee compensation	-	53	-
Adjustment per Section 3.60	80	11	-
Reduction per Section 4.10	-128	-	-
Adjustment per Section 4.10	128	-	-
Transfer from Item 0558-001-0001	855	786	-
Less amount shown in Office of Secretary for Education	-1,790	-1,636	-784
Prior year balances available:			
Chapter 793, Statutes of 2000	-	-	-
Less amount shown in Office of Secretary for Education	-	-	-
<b>Totals Available</b>	<b>\$4,273</b>	<b>\$2,878</b>	<b>\$4,076</b>
Unexpended balance, estimated savings	-73	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$4,200</b>	<b>\$2,878</b>	<b>\$4,076</b>
<b>0002 Property Acquisition Law Money Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$506	\$494	-
Allocation for employee compensation	-	19	-
Adjustment per Section 3.60	-	8	-
Reduction per Section 4.10	-10	-	-
Adjustment per Section 4.10	10	-	-
<b>Totals Available</b>	<b>\$506</b>	<b>\$521</b>	-
Unexpended balance, estimated savings	-1	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$505</b>	<b>\$521</b>	-
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,562	\$2,618	\$2,779
Allocation for employee compensation	-	95	-
Adjustment per Section 3.60	75	48	-

\* Dollars in thousands, except in Salary Range.



























































































































































































































































**0950 State Treasurer - Continued**

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
Allocation for employee compensation	-	223	-
Adjustment per Section 3.60	247	39	-
Reduction per Section 4.10	-963	-	-
Adjustment per Section 4.10	44	-	-
Adjustment per Section 4.60 (Rental Rate)	-	15	-
<b>Totals Available</b>	<b>\$5,751</b>	<b>\$6,028</b>	<b>\$6,068</b>
Unexpended balance, estimated savings	-678	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$5,073</b>	<b>\$6,028</b>	<b>\$6,068</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$16,696	\$16,596	\$16,647
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$21,769</b>	<b>\$22,624</b>	<b>\$22,715</b>
<b>2 LOCAL ASSISTANCE</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>0001 General Fund</b>			
APPROPRIATIONS			
295 Budget Act appropriation (State Mandates)	-	-	-
<b>TOTALS, EXPENDITURES</b>	-	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	-	-	-
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$21,769</b>	<b>\$22,624</b>	<b>\$22,715</b>

**FUND CONDITION STATEMENTS**

	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>3059 Fiscal Recovery Fund <sup>5</sup></b>			
BEGINNING BALANCE	-	-	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
115100 Retail Sales and Use Tax-Fiscal Recovery	-	\$1,167,000	\$1,358,000
Transfers and Other Adjustments:			
FO0001 From General Fund loan per Item 9840-011-0001, Budget Act of 2003	1,000	-	-
TO0001 To General Fund loan repayment per Item 9840-011-0001, Budget Act of 2003	-	-1,000	-
Total Revenues, Transfers, and Other Adjustments	<u>\$1,000</u>	<u>\$1,166,000</u>	<u>\$1,358,000</u>
Total Resources	\$1,000	\$1,166,000	\$1,358,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
9618 Economic Recovery Financing Committee			
State Operations	1,000	11,660	13,580
Unclassified	-	1,154,340	1,344,420
Total Expenditures and Expenditure Adjustments	<u>\$1,000</u>	<u>\$1,166,000</u>	<u>\$1,358,000</u>
FUND BALANCE	-	-	-

**0954 Scholarshare Investment Board**

The Scholarshare Investment Board (SIB) is the administrator for the Golden State Scholarshare College Savings Trust Program (Scholarshare), the Governor's Scholarship Programs (GSP) and the California Memorial Scholarship Program (MSP). These programs encourage California citizens to pursue higher education by making education more affordable. Scholarshare encourages families to save for higher education costs while GSP grants scholarships to students for use at eligible higher education institutions. MSP provides scholarships to surviving dependents of California residents killed in the terrorist attacks on September 11, 2001.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

\* Dollars in thousands, except in Salary Range.

## 0954 Scholarshare Investment Board - Continued

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Golden State Scholarshare Trust Program (ScholarShare Administrative Fund)	3.6	4.0	4.0	\$477	\$983	\$1,006
20 Governor's Scholarship Programs (General Fund)	1.7	2.0	2.0	1,052	1,092	1,117
97 Unallocated Reduction	-	-	-	-	-	-17
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>5.3</b>	<b>6.0</b>	<b>6.0</b>	<b>\$1,529</b>	<b>\$2,075</b>	<b>\$2,106</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0001 General Fund				\$1,052	\$1,092	\$1,100
0564 Scholarshare Administrative Fund				477	983	1,006
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$1,529</b>	<b>\$2,075</b>	<b>\$2,106</b>

### LEGAL CITATIONS AND AUTHORITY

#### PROGRAM AUTHORITY

10-Golden State Scholarshare College Savings Trust Program:

Education Code Sections 69980 to 69994

20-Governor's Scholarship Programs:

Education Code Sections 69999.6 to 69999.8

30-California Memorial Scholarship Program:

Education Code Sections 70010 to 70011.9, and Vehicle Code Section 5066.

### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Cost of Living Adjustment (Price Increase)	\$-	\$-	-	\$23	\$20	-
• Employee Compensation Adjustment	8	8	-	10	10	-
• Retirement Rate Adjustment	2	5	-	2	5	-
• Rent Increase Adjustment	-	-	-	-	1	-
<b>Policy Adjustment Descriptions</b>						
• State Operations Reduction	-	-	-	-17	-	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 GOLDEN STATE SCHOLARSHARE COLLEGE SAVINGS TRUST PROGRAM

Scholarshare is a State sponsored college savings program set up for the purpose of helping families save for higher education costs. Funds placed in the trust and used for qualified higher education expenses, such as tuition, fees, supplies, books, and certain room and board expenses, receive tax benefits.

#### 20 GOVERNOR'S SCHOLARSHIP PROGRAMS

GSP was established for the purpose of rewarding public school students who demonstrate high academic achievement with scholarships. Students can receive a \$1,000 Governor's Scholars Award if they have earned scores on certain standardized tests in the years 2000, 2001 or 2002 that places them in 1) the top 5 percent of public school students statewide in their grade, or 2) in the top 10 percent of students within their comprehensive public school in their grade. Students can also earn a supplemental \$2,500 Governor's Distinguished Mathematics and Science Scholars Award when they attain specific scores on particular Advanced Placement or International Baccalaureate exams administered before December 31, 2002. GSP was made inoperative and repealed in fiscal year 2002-2003; however, SIB continues to administer 2000, 2001 and 2002 awards.

#### 30 CALIFORNIA MEMORIAL SCHOLARSHIP PROGRAM

MSP provides scholarships to surviving dependents of California residents killed as a result of the terrorist attacks on September 11, 2001. These scholarships are used to defray higher education costs and are funded by voluntary donations

\* Dollars in thousands, except in Salary Range.

**0954 Scholarshare Investment Board - Continued**

made by California Vehicle owners who purchase the California Memorial License plate.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

		<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>GOLDEN STATE SCHOLARSHARE TRUST PROGRAM</b>			
	State Operations:			
0564	Scholarshare Administrative Fund	<u>\$477</u>	<u>\$983</u>	<u>\$1,006</u>
	Totals, State Operations	<b>\$477</b>	<b>\$983</b>	<b>\$1,006</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>20</b>	<b>GOVERNOR'S SCHOLARSHIP PROGRAMS</b>			
	State Operations:			
0001	General Fund	<u>\$1,052</u>	<u>\$1,092</u>	<u>\$1,117</u>
	Totals, State Operations	<b>\$1,052</b>	<b>\$1,092</b>	<b>\$1,117</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>97</b>	<b>UNALLOCATED REDUCTION</b>			
	State Operations:			
0001	General Fund	<u>-</u>	<u>-</u>	<u>-\$17</u>
	Totals, State Operations	<b>-</b>	<b>-</b>	<b>-\$17</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	<u>1,529</u>	<u>2,075</u>	<u>2,106</u>
	<b>Totals, Expenditures</b>	<b>\$1,529</b>	<b>\$2,075</b>	<b>\$2,106</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	5.3	6.0	6.0	\$284	\$328	\$338
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>18</u>
Net Totals, Salaries and Wages	<b>5.3</b>	<b>6.0</b>	<b>6.0</b>	<b>\$284</b>	<b>\$343</b>	<b>\$356</b>
Staff Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>118</u>	<u>104</u>	<u>104</u>
Totals, Personal Services	<b>5.3</b>	<b>6.0</b>	<b>6.0</b>	<b>\$402</b>	<b>\$447</b>	<b>\$460</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
Unallocated Reduction				<u>-</u>	<u>-</u>	<u>-17</u>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$1,529</b>	<b>\$2,075</b>	<b>\$2,106</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	5.3	6.0	6.0	\$284	\$328	\$338
Salary adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>18</u>
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b>\$15</b>	<b>\$18</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>5.3</b>	<b>6.0</b>	<b>6.0</b>	<b>\$284</b>	<b>\$343</b>	<b>\$356</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,159	\$1,082	\$1,100

\* Dollars in thousands, except in Salary Range.

**0954 Scholarshare Investment Board - Continued**

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
Allocation for employee compensation	-	8	-
Adjustment per Section 3.60	12	2	-
Reduction per Section 4.10	-174	-	-
Adjustment per Section 4.10	153	-	-
<b>Totals Available</b>	<b>\$1,150</b>	<b>\$1,092</b>	<b>\$1,100</b>
Unexpended balance, estimated savings	-98	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,052</b>	<b>\$1,092</b>	<b>\$1,100</b>
<b>0564 Scholarshare Administrative Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$967	\$970	\$1,006
Allocation for employee compensation	-	8	-
Adjustment per Section 3.60	12	5	-
Reduction per Section 4.10	-19	-	-
Adjustment per Section 4.10	11	-	-
<b>Totals Available</b>	<b>\$971</b>	<b>\$983</b>	<b>\$1,006</b>
Unexpended balance, estimated savings	-494	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$477</b>	<b>\$983</b>	<b>\$1,006</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$1,529</b>	<b>\$2,075</b>	<b>\$2,106</b>

**0956 California Debt and Investment Advisory Commission**

The mission of the California Debt and Investment Advisory Commission (CDIAC) (formerly the California Debt Advisory Commission (CDAC)) is to promote and improve the practice of public finance in California by providing responsive and reliable information, education, and advice. CDIAC was created by Chapter 1088, Statutes of 1981, to assist state and local governments in effectively and efficiently issuing, monitoring and managing public debt. Upon the enactment of Chapter 833, Statutes of 1996, the Commission became CDIAC, and its responsibilities were expanded to include an investment component in its municipal education program and the development of information and resources related to the investment of public funds.

The Commission consists of nine members including the State Treasurer, who serves as chairperson; the Governor or, upon his designation, the Director of Finance; the State Controller; two local government finance officers appointed by the State Treasurer; two members of the Assembly appointed by the Speaker of the Assembly, and two members of the Senate appointed by the Senate Committee on Rules.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	<u>Positions</u>			<u>Expenditures</u>		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 California Debt and Investment Advisory Commission	11.6	13.0	14.0	\$1,697	\$2,031	\$2,135
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>11.6</b>	<b>13.0</b>	<b>14.0</b>	<b>\$1,697</b>	<b>\$2,031</b>	<b>\$2,135</b>

<b>FUNDING</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0171 California Debt and Investment Advisory Commission Fund	\$1,648	\$1,931	\$2,035
0995 Reimbursements	49	100	100
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$1,697</b>	<b>\$2,031</b>	<b>\$2,135</b>

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

Government Code Sections 8855-8859.

**DETAILED BUDGET ADJUSTMENTS**

	<u>2004-05*</u>			<u>2005-06*</u>		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						

\* Dollars in thousands, except in Salary Range.

• Various Baseline Adjustments	\$-	\$69	-	\$-	\$106	-
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\* Dollars in thousands, except in Salary Range.

## 0956 California Debt and Investment Advisory Commission - Continued

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Policy Adjustment Descriptions</b>						
• Additional Staff for Continuing Education Unit	-	-	-	-	67	1.0

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

CDIAC's objectives are to (1) protect taxpayer's dollars, (2) increase the public's knowledge of tools that promote economic sustainability, and (3) enhance the knowledge of public officials with respect to the administration and issuance of public debt and the investment of public funds. CDIAC achieves these objectives by performing functions in three principal areas, which include:

- Data Collection and Analysis - CDIAC serves as a clearinghouse of debt issued by public entities and nonprofit student loan corporations in California. Since 2001, CDIAC also has received copies of second and fourth quarter calendar year investment portfolio reports and annual copies of investment policies from city, county, or city and county investors of public funds.
- Continuing Education - CDIAC provides educational seminars and conferences to public officials on topics of public debt and investments. In addition, CDIAC provides technical assistance to public officials and taxpayers through various publications and/or direct interaction and conducts public forums to disseminate relevant information to constituents or identify public policies issues concerning the use and administration of public debt or the investment of public funds.
- Policy Research - CDIAC undertakes original research on issues related to the issuance and administration of public debt or the investment of public funds. Research results are published as reports, issue briefs, or articles and disseminated in printed and electronic forms.

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>10 CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMITTEE</b>				
	State Operations:			
0171	California Debt and Investment Advisory Commission Fund	\$1,648	\$1,931	\$2,035
0995	Reimbursements	49	100	100
	Totals, State Operations	<b>\$1,697</b>	<b>\$2,031</b>	<b>\$2,135</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	<u>1,697</u>	<u>2,031</u>	<u>2,135</u>
	<b>Totals, Expenditures</b>	<b>\$1,697</b>	<b>\$2,031</b>	<b>\$2,135</b>

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	11.6	13.0	13.0	\$738	\$780	\$793
Total Adjustments	-	-	1.0	-	32	70
Net Totals, Salaries and Wages	<b>11.6</b>	<b>13.0</b>	<b>14.0</b>	<b>\$738</b>	<b>\$812</b>	<b>\$863</b>
Staff Benefits	-	-	-	225	275	291
Totals, Personal Services	<b>11.6</b>	<b>13.0</b>	<b>14.0</b>	<b>\$963</b>	<b>\$1,087</b>	<b>\$1,154</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				<u>\$734</u>	<u>\$944</u>	<u>\$981</u>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$1,697</b>	<b>\$2,031</b>	<b>\$2,135</b>

### CHANGES IN AUTHORIZED POSITIONS

Positions

Expenditures

\* Dollars in thousands, except in Salary Range.

2003-04	2004-05	2005-06	2003-04*
			2004-05*
			2005-06*

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\* Dollars in thousands, except in Salary Range.

**0956 California Debt and Investment Advisory Commission - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	11.6	13.0	13.0	\$738	\$780	\$793
Salary adjustments	-	-	-	-	32	38
Proposed New Positions:				<b>Salary</b>		
				<b>Range</b>		
Junior Staff Analyst	-	-	1.0	2,632-3,201	-	32
Totals, Proposed New Positions	-	-	1.0	-	-	\$32
Total Adjustments	-	-	1.0	-	\$32	\$70
<b>TOTALS, SALARIES AND WAGES</b>	<b>11.6</b>	<b>13.0</b>	<b>14.0</b>	<b>\$738</b>	<b>\$812</b>	<b>\$863</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

	2003-04*	2004-05*	2005-06*
<b>1 STATE OPERATIONS</b>			
<b>0171 California Debt and Investment Advisory Commission Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$1,895	\$1,862	\$2,035
Allocation for employee compensation	-	37	-
Adjustment per Section 3.60	61	22	-
Reduction per Section 4.10	-38	-	-
Adjustment per Section 4.10	-50	-	-
Adjustment per Section 5.30 (Attorney General Legal Services Increased Rates)	-	10	-
011 Budget Act appropriation (Transfer to the General Fund)	(5,500)	-	-
<b>Totals Available</b>	<b>\$1,868</b>	<b>\$1,931</b>	<b>\$2,035</b>
Unexpended balance, estimated savings	-220	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,648</b>	<b>\$1,931</b>	<b>\$2,035</b>
<b>0995 Reimbursements</b>			
<b>APPROPRIATIONS</b>			
Reimbursements	\$49	\$100	\$100
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$1,697</b>	<b>\$2,031</b>	<b>\$2,135</b>

**FUND CONDITION STATEMENTS**

	2003-04*	2004-05*	2005-06*
<b>0171 California Debt and Investment Advisory Commission Fund <sup>s</sup></b>			
<b>BEGINNING BALANCE</b>	\$5,827	\$942	\$1,130
Prior year adjustments	29	-	-
Adjusted Beginning Balance	\$5,856	\$942	\$1,130
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
125600 Other Regulatory Fees	2,174	2,100	2,100
150300 Income From Surplus Money Investments	60	19	110
150500 Interest Income From Interfund Loans	-	-	140
Transfers and Other Adjustments:			
FO0001 From General Fund loan repayment per Item 0956-011-0171, Budget Act of 2003	-	-	5,500
TO0001 To General Fund loan per Item 0956-011-0171, Budget Act of 2003	-5,500	-	-
Total Revenues, Transfers, and Other Adjustments	-\$3,266	\$2,119	\$7,850
Total Resources	\$2,590	\$3,061	\$8,980
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0840 State Controller (State Operations)	-	-	1

\* Dollars in thousands, except in Salary Range.

**0956 California Debt and Investment Advisory Commission - Continued**

	2003-04*	2004-05*	2005-06*
0956 California Debt and Investment Advisory Committee (State Operations)	1,648	1,931	2,035
Total Expenditures and Expenditure Adjustments	\$1,648	\$1,931	\$2,036
FUND BALANCE	\$942	\$1,130	\$6,944
Reserve for economic uncertainties	942	1,130	6,944

**0959 California Debt Limit Allocation Committee**

The California Debt Limit Allocation Committee's mission is to allocate tax-exempt private activity bond authority for the State of California. Private activity bonds may only be used by the private sector for projects and programs that provide a public benefit.

The federal government limits the amount of tax-exempt private activity bond authority that can be issued in a state on an annual basis. The limit of bond authority in 2004 is calculated by multiplying the state population by \$80. California has the largest population, and therefore has the largest debt (or tax-exempt bond) limit, which in 2004 totals over \$2.8 billion.

The Committee's allocation of tax-exempt bond authority results in the issuance of bonds by cities, counties, and state agencies. The bonds are purchased and used by the private sector and are not an obligation of the state or of the federal government.

The Committee administers six programs that are funded through the allocation and issuance of tax-exempt private activity bonds. Those programs are: (1) the Qualified Residential Rental Project Program, (2) the Single-Family Housing Program, (3) the Extra Credit Home Purchase Program, (4) the Industrial Development Bond Project Program, (5) the Exempt Facility Program, and (6) the Student Loan Program.

The Committee is comprised of the State Treasurer as Chairperson, the Governor, or upon his designation, the Director of Finance, and the State Controller. The Committee is funded on a fee-supported basis.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 California Debt Limit Allocation Committee	8.8	9.0	9.0	\$999	\$1,118	\$1,128
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>8.8</b>	<b>9.0</b>	<b>9.0</b>	<b>\$999</b>	<b>\$1,118</b>	<b>\$1,128</b>

**FUNDING**

	2003-04*	2004-05*	2005-06*
0169 California Debt Limit Allocation Committee Fund	\$999	\$1,118	\$1,128
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$999</b>	<b>\$1,118</b>	<b>\$1,128</b>

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Government Code Section 8869.80 et seq.

**DETAILED BUDGET ADJUSTMENTS**

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Various Baseline Adjustments	\$-	\$39	-	\$-	\$49	-

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Qualified Residential Rental Project Program:

State and local governmental agencies and joint powers authorities can issue tax-exempt housing revenue bonds. These bonds assist developers of multifamily rental housing units to acquire land and construct new units or purchase and rehabilitate existing units. The tax-exempt bonds lower the interest rate on a mortgage to be paid by the developers. The developers in turn produce affordable and market rate rental housing for low and very low-income households by reducing rental rates to these individuals and families. Projects that receive an award of bond authority have the right to apply for non-competitive four-percent tax credits.

\* Dollars in thousands, except in Salary Range.

## 0959 California Debt Limit Allocation Committee - Continued

### Single-Family Housing Program Description:

State and local governmental agencies and joint powers authorities can issue tax-exempt mortgage revenue bonds (MRBs) or mortgage credit certificates (MCCs) to assist first-time homebuyers to purchase homes. These agencies and authorities may issue MRBs, the proceeds of which back below market interest rate mortgages. As an alternative to issuing MRBs, state and local governmental agencies and joint powers authorities may issue MCCs. Homebuyers use the MCC to reduce their federal tax liability by applying the credit to their net tax due. Homebuyers may purchase single-family homes, either freestanding detached, condominiums or townhouses. Program participants must meet program income limits and must purchase a home that falls within the program's purchase price limitations.

### Extra Credit Home Purchase Program:

State and local governmental agencies and joint powers authorities can issue tax-exempt mortgage revenue bonds (MRBs) or mortgage credit certificates (MCCs) to assist teachers, principals and other eligible school staff purchase homes. These agencies and authorities may issue MRBs, the proceeds of which back below market interest rate mortgages. As an alternative to issuing MRBs, state and local governmental agencies and joint powers authorities may issue MCCs. Homebuyers use the MCC to reduce their federal tax liability by applying the credit to their net tax due.

### Industrial Development Bond Project Program:

Small-Issue Industrial Development Bonds (IDBs) are tax-exempt private activity bonds that are issued through state and local governmental agencies to assist manufacturing facilities finance capital expenditures. Today, most IDBs support expansions of existing manufacturing. IDBs offer interest rate savings to small and midsize manufacturers in contrast to conventional loans. When used by manufacturers, IDBs serve to retain and create new jobs within their communities.

### Exempt Facility Program:

Exempt Facility Bonds are tax-exempt private activity bonds that are issued by state and local governmental agencies to finance solid waste disposal and waste recycling facilities. The tax-exempt bonds provide facility owners with low cost financing in the form of below market interest rate loans. The interest rate savings enable the project owners to maintain lower customer rates or minimize customer rate increases, while at the same time assisting the communities they serve meet their mandated requirements to protect and enhance the environment. Exempt facility projects also benefit the communities by creating new jobs.

### Student Loan Program:

Student Loan Bonds are tax-exempt private activity bonds issued by authorized agencies for the purpose of either financing direct loans to college students and their parents or purchasing bundles of already-originated loans on the secondary market. When used for direct lending programs, tax-exempt bond allocation allows lenders to pass on interest rate savings to financially needy students via below market interest rate loans. Financially needy students are borrowers for whom the cost to attend college exceeds their ability to pay, as determined by their school's financial aid office.

### **DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE</b>			
State Operations:			
0169 California Debt Limit Allocation Committee Fund	\$999	\$1,118	\$1,128
Totals, State Operations	\$999	\$1,118	\$1,128
<b>TOTALS, EXPENDITURES</b>			
State Operations	999	1,118	1,128
Totals, Expenditures	\$999	\$1,118	\$1,128

### **EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	8.8	9.0	9.0	\$478	\$498	\$510
Total Adjustments	-	-	-	-	17	21
Net Totals, Salaries and Wages	8.8	9.0	9.0	\$478	\$515	\$531
Staff Benefits	-	-	-	165	164	166
Totals, Personal Services	8.8	9.0	9.0	\$643	\$679	\$697

\* Dollars in thousands, except in Salary Range.

**0959 California Debt Limit Allocation Committee - Continued**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
OPERATING EXPENSES AND EQUIPMENT				\$356	\$439	\$431
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$999</b>	<b>\$1,118</b>	<b>\$1,128</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	8.8	9.0	9.0	\$478	\$498	\$510
Salary adjustments	-	-	-	-	17	21
Total Adjustments	-	-	-	-	\$17	\$21
<b>TOTALS, SALARIES AND WAGES</b>	<b>8.8</b>	<b>9.0</b>	<b>9.0</b>	<b>\$478</b>	<b>\$515</b>	<b>\$531</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0169 California Debt Limit Allocation Committee Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,055	\$1,079	\$1,128
Allocation for employee compensation	-	20	-
Adjustment per Section 3.60	36	15	-
Reduction per Section 4.10	-21	-	-
Adjustment per Section 4.10	21	-	-
Adjustment per Section 5.30 (Attorney General Legal Services Increased Rates)	-	4	-
011 Budget Act appropriation (Loan to the General Fund)	-	(3,500)	-
<b>Totals Available</b>	<b>\$1,091</b>	<b>\$1,118</b>	<b>\$1,128</b>
Unexpended balance, estimated savings	-92	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$999</b>	<b>\$1,118</b>	<b>\$1,128</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$999</b>	<b>\$1,118</b>	<b>\$1,128</b>

**FUND CONDITION STATEMENTS**

	2003-04*	2004-05*	2005-06*
<b>0169 California Debt Limit Allocation Committee Fund<sup>5</sup></b>			
BEGINNING BALANCE	\$2,027	\$4,109	\$842
Prior year adjustments	-293	-	-
Adjusted Beginning Balance	\$1,734	\$4,109	\$842
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	1,302	1,300	1,300
150300 Income From Surplus Money Investments	25	51	12
150500 Interest Income From Interfund Loans	47	-	-
Transfers and Other Adjustments:			
FO0001 From General Fund loan repayment per Item 0959-011-0169, Budget Act of 2002	2,000	-	-
TO0001 To General Fund loan per Item 0959-011-0169, Budget Act of 2004	-	-3,500	-
Total Revenues, Transfers, and Other Adjustments	\$3,374	-\$2,149	\$1,312
Total Resources	\$5,108	\$1,960	\$2,154
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			

\* Dollars in thousands, except in Salary Range.

**0959 California Debt Limit Allocation Committee - Continued**

	2003-04*	2004-05*	2005-06*
0840 State Controller (State Operations)	-	-	1
0959 California Debt Limit Allocation Committee (State Operations)	999	1,118	1,128
Total Expenditures and Expenditure Adjustments	\$999	\$1,118	\$1,129
FUND BALANCE	\$4,109	\$842	\$1,025
Reserve for economic uncertainties	4,109	842	1,025

**0965 California Industrial Development Financing Advisory Commission**

The California Industrial Development Financing Advisory Commission's (CIDFAC) mission is to create employment opportunities and to support local economic development. CIDFAC meets this goal by providing low cost financing through the issuance of Industrial Development Bonds (IDBs) to manufacturers through its partnership with local governments. CIDFAC is mandated to provide technical assistance to local government issuing agencies such as: cities, counties, economic development authorities, redevelopment agencies or joint power authorities. CIDFAC independently reviews IDB applications to ensure compliance with federal and state statutes and approves the sale of IDBs by local authorities.

The State Treasurer serves as chairperson of the Commission. The other members are the Director of the Department of Finance, the State Controller, and the Commissioner of the Department of Corporations.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 California Industrial Development Financing Advisory Commission	3.0	3.0	3.0	\$390	\$553	\$559
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>\$390</b>	<b>\$553</b>	<b>\$559</b>

	2003-04*	2004-05*	2005-06*
FUNDING			
0215 Industrial Development Fund	\$315	\$478	\$484
0995 Reimbursements	75	75	75
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$390</b>	<b>\$553</b>	<b>\$559</b>

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

Government Code Sections 91500 to 91564, Financial Code Section 1364, Insurance Code Section 1192.

**DETAILED BUDGET ADJUSTMENTS**

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Various Baseline Adjustments	\$-	\$19	-	\$-	\$25	-

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

## 10 CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING ADVISORY COMMISSION

The core program area is the Industrial Development Bond (IDB) Program where CIDFAC serves as the mandatory approval agency for local IDB issuers as required by California statute. Once potential borrowers (manufacturers and processing companies) apply through their local government agency for low cost tax-exempt financing, CIDFAC carefully reviews the public benefits generated by the proposed project, particularly job creation, and determines whether these benefits will significantly outweigh any detrimental public effects from the project. Eligible capital expenditures include the acquisition of land, building construction, building renovation, and the purchase of machinery and equipment. Bond proceeds can also be used to cover the costs of architects, engineers, attorneys, permits, and the costs of bond issuance. The local government issuer can be a city, county, economic development authority, redevelopment agency, or a joint power authority such as the California Statewide Community Development Authority (CSCDA).

The Federal Tax Law that authorizes the issuance of IDBs also includes Empowerment Zone Bonds (EZ Bonds), which fall within CIDFAC's issuance jurisdiction. CIDFAC's EZ Bond Program has the objective of augmenting the benefits of the IDB program to provide further support for economic development in the most distressed communities in California. The EZ Bond Program expands the eligibility of borrowers to manufacturers, retailers, and any service that operates in an Empowerment

\* Dollars in thousands, except in Salary Range.

**0965 California Industrial Development Financing Advisory Commission - Continued**

Zone. The EZ Bond program removes the maximum dollar restriction (applicable to IDBs) on the size of the issuance. There are four federally designated Empowerment Zones in California: Los Angeles, Santa Ana, San Diego, and an unincorporated section of Riverside County. These communities received this federal designation based on their high unemployment and high poverty rates.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
<b>PROGRAM REQUIREMENTS</b>			
<b>10 CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING ADVISORY COMMISSION</b>			
State Operations:			
0215 Industrial Development Fund	\$315	\$478	\$484
0995 Reimbursements	<u>75</u>	<u>75</u>	<u>75</u>
Totals, State Operations	<b>\$390</b>	<b>\$553</b>	<b>\$559</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	<u>390</u>	<u>553</u>	<u>559</u>
<b>Totals, Expenditures</b>	<b>\$390</b>	<b>\$553</b>	<b>\$559</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	3.0	3.0	3.0	\$237	\$230	\$231
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>11</u>
Net Totals, Salaries and Wages	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>\$237</b>	<b>\$240</b>	<b>\$242</b>
Staff Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>65</u>	<u>73</u>	<u>72</u>
Totals, Personal Services	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>\$302</b>	<b>\$313</b>	<b>\$314</b>
OPERATING EXPENSES AND EQUIPMENT				<u>\$88</u>	<u>\$240</u>	<u>\$245</u>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$390</b>	<b>\$553</b>	<b>\$559</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
Totals, Authorized Positions	3.0	3.0	3.0	\$237	\$230	\$231
Salary adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>11</u>
Total Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$10</u>	<u>\$11</u>
<b>TOTALS, SALARIES AND WAGES</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>\$237</b>	<b>\$240</b>	<b>\$242</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	<u>2003-04*</u>	<u>2004-05*</u>	<u>2005-06*</u>
0215 Industrial Development Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$446	\$459	\$484
Allocation for employee compensation	-	12	-
Adjustment per Section 3.60	18	7	-
Reduction per Section 4.10	-9	-	-
Adjustment per Section 4.10	<u>9</u>	<u>-</u>	<u>-</u>
<b>Totals Available</b>	<b>\$464</b>	<b>\$478</b>	<b>\$484</b>
Unexpended balance, estimated savings	<u>-149</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$315</b>	<b>\$478</b>	<b>\$484</b>
0995 Reimbursements			

\* Dollars in thousands, except in Salary Range.

**0965 California Industrial Development Financing Advisory Commission - Continued**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
APPROPRIATIONS			
Reimbursements	\$75	\$75	\$75
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$390</b>	<b>\$553</b>	<b>\$559</b>

**FUND CONDITION STATEMENTS**

	2003-04*	2004-05*	2005-06*
<b>0215 Industrial Development Fund <sup>s</sup></b>			
BEGINNING BALANCE	\$392	\$136	\$62
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	55	400	420
150300 Income From Surplus Money Investments	4	4	4
Total Revenues, Transfers, and Other Adjustments	\$59	\$404	\$424
Total Resources	\$451	\$540	\$486
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0965 California Industrial Development Financing Advisory Commission (State Operations)	315	478	484
Total Expenditures and Expenditure Adjustments	\$315	\$478	\$484
FUND BALANCE	\$136	\$62	\$2
Reserve for economic uncertainties	136	62	2

**0968 California Tax Credit Allocation Committee**

The mission of the California Tax Credit Allocation Committee ("Committee" or "TCAC") is to form public/private partnerships to assist in the development and maintenance of quality rental housing communities affordable to low-income Californians.

TCAC works in public/private partnerships to assist with project development, while fulfilling its responsibilities as a credit agency through project compliance monitoring. TCAC coordinates its functions with state and local housing fund providers and with private fund investors, when providing and maintaining quality, affordable housing.

The TCAC consists of seven members, including the Treasurer who is designated as chairman, the Governor or Director of Finance, the State Controller, the Director of the Department of Housing and Community Development, the Executive Director of the California Housing Finance Agency, and two local government representatives.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 California Tax Credit Allocation Committee	17.5	20.0	23.0	\$2,531	\$2,705	\$3,032
20 Community Revitalization Program	3.0	3.0	3.0	180	258	264
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>20.5</b>	<b>23.0</b>	<b>26.0</b>	<b>\$2,711</b>	<b>\$2,963</b>	<b>\$3,296</b>

FUNDING	2003-04*	2004-05*	2005-06*
0448 Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account	\$1,016	\$1,081	\$1,347
0457 Tax Credit Allocation Fee Account	1,475	1,594	1,625
0995 Reimbursements	40	30	60
3038 Community Revitalization Fee Fund	180	258	264
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$2,711</b>	<b>\$2,963</b>	<b>\$3,296</b>

**LEGAL CITATIONS AND AUTHORITY**

## DEPARTMENT AUTHORITY

Internal Revenue Code Section 42 provides for state administration of the federal low-income housing tax credit program. California Health and Safety Code Sections 50199.4 through 50199.22, and California Revenue and Taxation Code Sections

\* Dollars in thousands, except in Salary Range.

## 0968 California Tax Credit Allocation Committee - Continued

12205.5, 12206, 17057.5, 17058, 23610.4 and 23610.5 establish the California state low-income housing tax credit program and designate the California Tax Credit Allocation Committee as the housing credit agency to administer both the federal and state tax credit programs in California. Section 252 of Public Law No. 99-514 (October 22, 1986), known as the federal Tax Reform Act of 1986, as amended, and Chapter 658, California Statutes of 1987, as amended, and Chapter 1138, California Statutes of 1987, as amended.

### PROGRAM AUTHORITY

10-Farmworker Housing Tax Credit Program:

Health and Safety Code Section 50199.51, Revenue and Taxation Code Sections 17053.14, 23608.2 and 23608.3.

20-Community Revitalization Deduction Program:

California Health and Safety Code Section 50199.70 designates the California Tax Credit Allocation Committee as the commercial revitalization agency for California. Community Renewal Tax Relief Act of 2000 as codified under Title 26, Subtitle A, Chapter 1, Subchapter X, Section 1400E, et seq. of the Internal Revenue Code of 1986, as amended.

### DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Increased Compliance Monitoring Workload	\$-	\$-	-	\$-	\$242	3.0
• Other Baseline Adjustments	-	90	-	-	151	-
• Reimbursement Authority Increase	-	-	-	-	30	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

The Federal Low Income Housing Tax Credit Program:

Congress authorized the federal program ("Credit program") in 1986. It replaced traditional housing tax incentives, such as accelerated depreciation, with a tax credit that enables developers of affordable rental housing to raise project equity through the "sale" of tax benefits to investors. The annual state credit ceiling is currently \$70 million (in addition to any unused or returned credits from previous years).

Each state has an annual housing credit ceiling of \$1.80 per state resident, and may qualify for a prorata share of federal credits available annually in a national pool comprised of states' unused credits. Investors take the state credit over a four-year period in contrast to the ten-year federal allocation period. The full four-year state credit allocated to a project is deducted from the annual state credit ceiling, while only the annual federal credit allocated to a project is deducted from the federal ceiling.

Tax-Exempt Bond Financed Program:

Developments that are financed with the proceeds of tax-exempt bonds may also receive federal tax credit. In this instance, the developer/owner of a tax-exempt development must apply to the Committee and must conform to the federal and state statutory and regulatory requirements, but there is no annual "cap" on the amount of credit that may be awarded by the state to such developments. The credit available is based on approximately four percent (instead of nine percent) of the "qualified basis" of the development, that is, the costs attributable to the units that will be income and rent restricted for a minimum of 30 years.

Under federal law, credit projects must remain affordable for at least 15 years; however, California's program generally requires maintaining affordability for 55 years. Land use agreements are recorded against each credit project to ensure compliance.

Farmworker Housing Tax Credit Program:

In 1996, TCAC received authorization from the California Legislature to administer an additional tax credit program to assist farmworkers, known as the Farmworker Housing Tax Credit program. Annually, up to \$500,000 of state tax credits is available for the construction of farmworker housing.

#### 20 COMMERCIAL REVITALIZATION DEDUCTION PROGRAM

TCAC was designated at the California Commercial Revitalization Agency in 2002 for the purpose of allocating federally authorized Commercial Revitalization Deduction to qualified businesses located in California's federally designated Renewal Communities.

\* Dollars in thousands, except in Salary Range.

## 0968 California Tax Credit Allocation Committee - Continued

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE</b>			
State Operations:			
0448 Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account	\$1,016	\$1,081	\$1,347
0457 Tax Credit Allocation Fee Account	1,289	1,458	1,489
0995 Reimbursements	40	30	60
Totals, State Operations	<b>\$2,345</b>	<b>\$2,569</b>	<b>\$2,896</b>
Local Assistance:			
0457 Tax Credit Allocation Fee Account	\$186	\$136	\$136
Totals, Local Assistance	<b>\$186</b>	<b>\$136</b>	<b>\$136</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>20 COMMUNITY REVITALIZATION PROGRAM</b>			
State Operations:			
3038 Community Revitalization Fee Fund	\$180	\$258	\$264
Totals, State Operations	<b>\$180</b>	<b>\$258</b>	<b>\$264</b>
<b>TOTALS, EXPENDITURES</b>			
State Operations	2,525	2,827	3,160
Local Assistance	186	136	136
Totals, Expenditures	<b>\$2,711</b>	<b>\$2,963</b>	<b>\$3,296</b>

### EXPENDITURES BY CATEGORY (Summary By Object)

	Positions			Expenditures		
1 State Operations	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	20.5	23.0	23.0	\$1,116	\$1,230	\$1,259
Total Adjustments	-	-	3.0	-	45	206
Net Totals, Salaries and Wages	<b>20.5</b>	<b>23.0</b>	<b>26.0</b>	<b>\$1,116</b>	<b>\$1,275</b>	<b>\$1,465</b>
Staff Benefits	-	-	-	380	361	425
Totals, Personal Services	<b>20.5</b>	<b>23.0</b>	<b>26.0</b>	<b>\$1,496</b>	<b>\$1,636</b>	<b>\$1,890</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				\$1,029	\$1,185	\$1,264
<b>SPECIAL ITEMS OF EXPENSE</b>				-	6	6
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$2,525</b>	<b>\$2,827</b>	<b>\$3,160</b>

	Expenditures		
2 Local Assistance	2003-04*	2004-05*	2005-06*
Grants and Subventions	\$186	\$136	\$136
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$186</b>	<b>\$136</b>	<b>\$136</b>

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	20.5	23.0	23.0	\$1,116	\$1,230	\$1,259
Salary adjustments	-	-	-	-	45	58
Proposed New Positions:				<b>Salary Range</b>		

\* Dollars in thousands, except in Salary Range.

**0968 California Tax Credit Allocation Committee - Continued**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
AGPA	-	-	3.0	4,111-4,997	-	148
Totals, Proposed New Positions	-	-	3.0	-----		
Total Adjustments	-	-	3.0	-	\$45	\$206
<b>TOTALS, SALARIES AND WAGES</b>	<b>20.5</b>	<b>23.0</b>	<b>26.0</b>	<b>\$1,116</b>	<b>\$1,275</b>	<b>\$1,465</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0448 Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,019	\$1,048	\$1,347
Allocation for employee compensation	-	21	-
Adjustment per Section 3.60	31	12	-
Reduction per Section 4.10	-20	-	-
Adjustment per Section 4.10	-6	-	-
011 Budget Act appropriation (Loan to the General Fund)	-	(35,000)	-
<b>Totals Available</b>	<b>\$1,024</b>	<b>\$1,081</b>	<b>\$1,347</b>
Unexpended balance, estimated savings	-8	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,016</b>	<b>\$1,081</b>	<b>\$1,347</b>
<b>0457 Tax Credit Allocation Fee Account</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,368	\$1,404	\$1,483
Allocation for employee compensation	-	28	-
Adjustment per Section 3.60	52	20	-
Reduction per Section 4.10	-27	-	-
Adjustment per Section 4.10	-20	-	-
011 Budget Act appropriation (Transfer to the General Fund)	(3,000)	(31,000)	-
Health and Safety Code Section 50199.9(b)	-	6	6
<b>Totals Available</b>	<b>\$1,373</b>	<b>\$1,458</b>	<b>\$1,489</b>
Unexpended balance, estimated savings	-84	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$1,289</b>	<b>\$1,458</b>	<b>\$1,489</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$40	\$30	\$60
<b>3038 Community Revitalization Fee Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$226	\$249	\$264
Allocation for employee compensation	-	5	-
Adjustment per Section 3.60	10	4	-
Reduction per Section 4.10	-5	-	-
Adjustment per Section 4.10	5	-	-
<b>Totals Available</b>	<b>\$236</b>	<b>\$258</b>	<b>\$264</b>
Unexpended balance, estimated savings	-56	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$180</b>	<b>\$258</b>	<b>\$264</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$2,525</b>	<b>\$2,827</b>	<b>\$3,160</b>

2 LOCAL ASSISTANCE	2003-04*	2004-05*	2005-06*
<b>0457 Tax Credit Allocation Fee Account</b>			
APPROPRIATIONS			
Health and Safety Code Section 50199.9(b)	\$186	\$136	\$136
<b>TOTALS, EXPENDITURES</b>	<b>\$186</b>	<b>\$136</b>	<b>\$136</b>

\* Dollars in thousands, except in Salary Range.

## 0968 California Tax Credit Allocation Committee - Continued

2 LOCAL ASSISTANCE	2003-04*	2004-05*	2005-06*
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	<u>\$186</u>	<u>\$136</u>	<u>\$136</u>
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	<b>\$2,711</b>	<b>\$2,963</b>	<b>\$3,296</b>

### FUND CONDITION STATEMENTS

	2003-04*	2004-05*	2005-06*
<b>0448 Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee</b>			
<b>Account <sup>s</sup></b>			
BEGINNING BALANCE	\$1,485	\$39,291	\$9,289
Prior year adjustments	<u>636</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$2,121	\$39,291	\$9,289
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	5,387	6,000	5,300
150300 Income From Surplus Money Investments	70	79	88
150500 Interest Income From Interfund Loans	729	-	-
Transfers and Other Adjustments:			
FO0001 From General Fund loan repayment per Item 0968-011-0448, Budget Act of 2002	32,000	-	-
TO0001 To General Fund loan per Item 0968-011-0448, Budget Act of 2004	<u>-</u>	<u>-35,000</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$38,186</u>	<u>-\$28,921</u>	<u>\$5,388</u>
Total Resources	\$40,307	\$10,370	\$14,677
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0968 California Tax Credit Allocation Committee (State Operations)	<u>1,016</u>	<u>1,081</u>	<u>1,347</u>
Total Expenditures and Expenditure Adjustments	<u>\$1,016</u>	<u>\$1,081</u>	<u>\$1,347</u>
FUND BALANCE	\$39,291	\$9,289	\$13,330
Reserve for economic uncertainties	39,291	9,289	13,330
<b>0457 Tax Credit Allocation Fee Account <sup>s</sup></b>			
BEGINNING BALANCE	\$1,254	\$28,949	\$552
Prior year adjustments	<u>530</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$1,784	\$28,949	\$552
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	3,853	3,900	3,900
150300 Income From Surplus Money Investments	133	290	290
150500 Interest Income From Interfund Loans	647	-	108
161000 Escheat of Unclaimed Checks & Warrants	7	7	7
Transfers and Other Adjustments:			
FO0001 From General Fund loan repayment per Item 0968-011-0448, Budget Act of 2002	27,000	-	-
FO0001 From General Fund loan repayment per Item 0968-011-0457, Budget Act of 2003	-	-	3,000
TO0001 To General Fund loan per Item 0968-011-0457, Budget Acts of 2003 and 2004	<u>-3,000</u>	<u>-31,000</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$28,640</u>	<u>-\$26,803</u>	<u>\$7,305</u>
Total Resources	\$30,424	\$2,146	\$7,857
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	-	-	1
0968 California Tax Credit Allocation Committee	-	-	-

\* Dollars in thousands, except in Salary Range.

**0968 California Tax Credit Allocation Committee - Continued**

	2003-04*	2004-05*	2005-06*
State Operations	1,289	1,458	1,489
Local Assistance	<u>186</u>	<u>136</u>	<u>136</u>
Total Expenditures and Expenditure Adjustments	<u>\$1,475</u>	<u>\$1,594</u>	<u>\$1,626</u>
FUND BALANCE	\$28,949	\$552	\$6,231
Reserve for economic uncertainties	28,949	552	6,231
<b>3038 Community Revitalization Fee Fund <sup>s</sup></b>			
BEGINNING BALANCE	\$184	\$29	\$13
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	23	240	250
150300 Income From Surplus Money Investments	<u>2</u>	<u>2</u>	<u>2</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$25</u>	<u>\$242</u>	<u>\$252</u>
Total Resources	\$209	\$271	\$265
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0968 California Tax Credit Allocation Committee (State Operations)	<u>180</u>	<u>258</u>	<u>264</u>
Total Expenditures and Expenditure Adjustments	<u>\$180</u>	<u>\$258</u>	<u>\$264</u>
FUND BALANCE	\$29	\$13	\$1
Reserve for economic uncertainties	29	13	1

**0971 California Alternative Energy & Advanced Transportation Financing Authority**

The California Alternative Energy and Advanced Transportation Financing Authority was established by Chapter 908 (Statutes of 1980), as the California Alternative Energy Source Financing Authority, to "promote the prompt and efficient development of energy sources which are renewable or which more efficiently utilize and conserve scarce energy resources." Recognizing the importance of developing a secure energy future to protect the environment and ensure economic stability, the intent of the legislation was to promote energy sources designed to reduce the degradation of the environment. The Authority later became the California Alternative Energy and Advanced Transportation Financing Authority ("CAEATFA" or the "Authority") in 1994, when the statute was amended to include development and commercialization of advanced transportation technologies. CAEATFA consists of five members: the State Treasurer, who serves as the chairperson of CAEATFA, the State Controller, the Director of Finance, the Chairperson of the State Energy Resources Conservation and Development Commission (the California Energy Commission), and the President of the Public Utilities Commission.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 California Alternative Energy and Advanced Transportation Financing Authority	0.8	1.0	1.0	\$83	\$205	\$203
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>0.8</b>	<b>1.0</b>	<b>1.0</b>	<b>\$83</b>	<b>\$205</b>	<b>\$203</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0528 California Alternative Energy Authority Fund				<u>\$83</u>	<u>\$205</u>	<u>\$203</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$83</b>	<b>\$205</b>	<b>\$203</b>

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Public Resources Code Sections 26004-26017.

**DETAILED BUDGET ADJUSTMENTS**

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions

\* Dollars in thousands, except in Salary Range.

• Various Baseline Adjustments	\$-	\$7	-	\$-	\$5	-
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\* Dollars in thousands, except in Salary Range.

## 0971 California Alternative Energy & Advanced Transportation Financing Authority - Continued

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

10 ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY

The Authority is authorized to issue up to \$350 million in revenue bonds to finance alternative energy and advanced transportation projects pursuant to Chapter 328, Statutes of 1994. As of June 30, 2004, \$181.6 million in bonds had been sold.

**DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY</b>			
State Operations:			
0528 California Alternative Energy Authority Fund	\$83	\$205	\$203
Totals, State Operations	\$83	\$205	\$203
<b>TOTALS, EXPENDITURES</b>			
State Operations	83	205	203
<b>Totals, Expenditures</b>	<b>\$83</b>	<b>\$205</b>	<b>\$203</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>1 State Operations</b>						
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	0.8	1.0	1.0	\$69	\$85	\$85
Total Adjustments	-	-	-	-	4	4
Net Totals, Salaries and Wages	0.8	1.0	1.0	\$69	\$89	\$89
Staff Benefits	-	-	-	9	36	36
Totals, Personal Services	0.8	1.0	1.0	\$78	\$125	\$125
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
				\$5	\$80	\$78
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$83</b>	<b>\$205</b>	<b>\$203</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	0.8	1.0	1.0	\$69	\$85	\$85
Salary adjustments	-	-	-	-	4	4
Total Adjustments	-	-	-	-	\$4	\$4
<b>TOTALS, SALARIES AND WAGES</b>	0.8	1.0	1.0	\$69	\$89	\$89

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

	2003-04*	2004-05*	2005-06*
<b>1 STATE OPERATIONS</b>			
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
Prior year balances available:			
Chapter 8, Statutes of 2001, First Extraordinary Session (Transfer from Local Assistance)	\$1	-	-
<b>Totals Available</b>	<b>\$1</b>	-	-
Unexpended balance, estimated savings	-1	-	-
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Dollars in thousands, except in Salary Range.

## 0971 California Alternative Energy & Advanced Transportation Financing Authority - Continued

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0528 California Alternative Energy Authority Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$177	\$198	\$203
Allocation for employee compensation	-	5	-
Adjustment per Section 3.60	6	2	-
Reduction per Section 4.10	-4	-	-
Adjustment per Section 4.10	4	-	-
<b>Totals Available</b>	<b>\$183</b>	<b>\$205</b>	<b>\$203</b>
Unexpended balance, estimated savings	-100	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$83</b>	<b>\$205</b>	<b>\$203</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$83</b>	<b>\$205</b>	<b>\$203</b>

## 0974 California Pollution Control Financing Authority

The California Pollution Control Financing Authority (CPCFA) provides California businesses with a reasonable method of financing pollution control facilities and fosters compliance with government imposed environmental standards and requirements. Over the last thirty years, CPCFA has evolved to meet California's needs not only for the solid waste industry through its Pollution Control Tax-Exempt Bond Program, but also for small businesses through the California Capital Access Program (CalCAP), in the reuse and redevelopment of brownfields through the California Recycle Underutilized Sites Program (CalReUSE), and with financial assistance to cities and counties in their community planning and development efforts through the Sustainable Communities Grant and Loan Program (SCGL). The CPCFA consists of the State Treasurer (Chairperson), the State Controller, and the Director of the Department of Finance.

### **LEGAL CITATIONS AND AUTHORITY**

#### DEPARTMENT AUTHORITY

Health and Safety Code Sections 44500-44520 and 44526-44548.

### **PROGRAM DESCRIPTIONS (Program Objectives Statement)**

#### Pollution Control Tax-Exempt Bond Program:

The objective of this program is to provide bond financing to California businesses, irrespective of company size, for the acquisition, construction, or installation of qualified pollution control, waste disposal, waste recovery facilities, and the acquisition and installation of new equipment. CPCFA financing assists municipalities in complying with waste diversion mandates of the California Integrated Waste Management Act of 1989. As of June 30, 2004, bonds totaling \$10.781 billion have been issued by the CPCFA for pollution control projects.

#### California Capital Access Program for Small Businesses (CALCAP):

The objective of this program is to encourage banks and other financial institutions to make loans to small businesses that fall just outside of conventional underwriting standards. CalCAP is a form of loan portfolio insurance that may provide up to 100% coverage on certain loan defaults. By participating in CalCAP, lenders have available to them a proven financing mechanism to meet the financing needs of California's small businesses. The strength of CalCAP rests in its simplicity and its leverage of State funds. The program works through the creation of a loan loss-reserve fund for each participating financial institution. The CPCFA funds this reserve together with the financial institution and the borrower. The reserve serves to reduce loan-loss risk, allowing banks to lend to targeted California small businesses. Additional incentives are provided to lend to businesses located in state-designated Enterprise Zones.

#### California Recycle Underutilized Sites (CalReUSE) Program:

This program assists with the reuse and redevelopment of underutilized properties with real or perceived contamination issues (brownfields). CalReUSE addresses a funding and information gap in the development of brownfields to help bring these properties into productive reuse. The CPCFA works with selected strategic partners to administer the program and select projects throughout the state. CalReUSE provides forgivable loans of up to \$125,000 to fund brownfield site assessment and characterization, technical assistance, remedial action plans and site access. Eligible projects include sites with potential beneficial reuse not currently redeveloped due to lack of information about real or perceived contamination, uncertainty about clean up costs, or concerns regarding timeframes and the regulatory process. Priority is given to projects located in distressed neighborhoods with demonstrated community support.

#### Sustainable Communities Grant and Loan Program (SCGL):

The objective of this program is to assist cities and counties to develop and implement sustainable development growth policies, programs and projects. SCGL has funded specific plans, portions of specific plans, alternative transportation

\* Dollars in thousands, except in Salary Range.

## 0974 California Pollution Control Financing Authority - Continued

studies, finance plans, redevelopment plans, engineering studies, public projects and other projects that promote sustainable development principles.

## 0977 California Health Facilities Financing Authority

The California Health Facilities Financing Authority (CHFFA) issues revenue bonds to assist qualified private nonprofit corporations or associations, counties, and hospital districts in financing or refinancing the construction, equipping or acquiring of health facilities. CHFFA also administers the Children's Hospital Program established by Proposition 61. CHFFA was established by Chapter 1033, Statutes of 1979. CHFFA consists of nine members: the State Treasurer, the Director of Finance, the State Controller, two public members appointed by the Senate, two public members appointed by the Assembly, and two public members appointed by the Governor.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
30 Children's Hospital Program	-	2.0	2.0	\$-	\$137	\$289
40 Health Facilities Grants and Loans	9.5	10.5	10.5	622	627	633
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>9.5</b>	<b>12.5</b>	<b>12.5</b>	<b>\$622</b>	<b>\$764</b>	<b>\$922</b>

### FUNDING

	2003-04*	2004-05*	2005-06*
0904 California Health Facilities Financing Authority Fund	\$622	\$627	\$633
6046 Children's Hospital Fund	-	137	289
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>	<b>\$622</b>	<b>\$764</b>	<b>\$922</b>

### LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Sections 15430-15463. Health and Safety Code Sections 1179.10-1179.43.

### DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Proposition 61 - Children's Hospital Bond Program Workload	\$-	\$137	2.0	\$-	\$289	2.0

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

CHFFA provides assistance in funding or refinancing by making loans to health institutions, by direct purchase and leaseback of the health facility by CHFFA, or by a health institution acting as an agent for CHFFA. CHFFA can determine the location and character of any proposed project and can solicit state and federal mortgage insurance for any funded project. To qualify for funding under the Act, the project must be a health facility, as defined in the Act, operated by a private nonprofit corporation or association, city, city and county, county or hospital district. Numerous statutes enacted between 1983 and 2002 broadened the types of facilities that may be financed by CHFFA.

Prior to September 30, 1998, CHFFA was authorized to have outstanding at any one point in time up to \$5.999 billion in revenue bonds. Pursuant to Chapter 1035, Statutes of 1998, there is no longer a limitation on bonds outstanding.

The Federal Tax Reform Act of 1986 does not restrict health facility bonds in terms of the State's "private activity" bond limit. Bonds issued under this program are not a debt or liability or a pledge of faith and credit of the taxing power of the State or any of its political subdivisions. The full faith and credit of the participating institutions are pledged to the payment of bonds. This is a trust activity and all operating expenses must be paid from revenues and other moneys available to CHFFA.

Chapter 99, Statutes of 2000, established the Cedillo-Alarcon Community Care Investment Act of 2000, which authorized CHFFA to award grants to eligible primary care clinics for capital outlay projects. The Budget Act of 2000 included a one-time \$50 million General Fund augmentation for transfer to the CHFFA Fund to award grants in amounts not to exceed \$250 thousand to any clinic facility. CHFFA developed through regulations, selection criteria and a process for awarding the grants. All \$50 million has now been disbursed and CHFFA is finalizing a few small grants from interest earnings. When all grant funds have been disbursed and all recipients have certified completion projects, CHFFA shall prepare a report to the Joint Legislative Budget Committee. The report shall identify the recipients of the grants, the total amount of each grant, and the purpose for which each grant was awarded.

\* Dollars in thousands, except in Salary Range.

## 0977 California Health Facilities Financing Authority - Continued

Chapter 478, Statutes of 2002 (AB 2352), extends CHFFA's ability to provide grants for capital projects not only to community clinics, but also to small health facilities currently eligible under CHFFA's statute. The legislation also allows CHFFA to use its fund balance to make such grants.

On November 2, 2004, the voters approved Proposition 61, which established the Children's Hospital Program. The purpose of the Children's Hospital Program is to improve the health and welfare of California's critically ill children by providing a stable and ready source of funds for capital improvement projects for children's hospitals. Proposition 61 designated CHFFA as the administering agency and authorized CHFFA to grant \$750 million to eligible children's hospitals. Funding for this program will be provided by the issuance of general obligation bonds. Pursuant to Proposition 61, applications are to be available and regulations promulgated within 90 days of its passage.

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>30</b>	<b>CHILDREN'S HOSPITAL PROGRAM</b>			
	State Operations:			
6046	Children's Hospital Fund	-	\$137	\$289
	Totals, State Operations	-	\$137	\$289
<b>PROGRAM REQUIREMENTS</b>				
<b>40</b>	<b>HEALTH FACILITIES GRANTS AND LOANS</b>			
	State Operations:			
0904	California Health Facilities Financing Authority Fund	\$622	\$627	\$633
	Totals, State Operations	\$622	\$627	\$633
<b>TOTALS, EXPENDITURES</b>				
	State Operations	622	764	922
	<b>Totals, Expenditures</b>	<b>\$622</b>	<b>\$764</b>	<b>\$922</b>

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	9.5	10.5	10.5	\$622	\$627	\$633
Total Adjustments	-	2.0	2.0	-	53	106
Net Totals, Salaries and Wages	9.5	12.5	12.5	\$622	\$680	\$739
Staff Benefits	-	-	-	-	27	41
Totals, Personal Services	9.5	12.5	12.5	\$622	\$707	\$780
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
				-	\$57	\$142
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$622</b>	<b>\$764</b>	<b>\$922</b>

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	9.5	10.5	10.5	\$622	\$627	\$633
Proposed New Positions:						
<b>Salary Range</b>						
Treasury Program Manager I	-	1.0	1.0	4,746-5,726	28	57
Assoc Treasury Program Officer I	-	1.0	1.0	4,111-4,997	25	49
Totals, Proposed New Positions	-	2.0	2.0	-	\$53	\$106
Total Adjustments	-	2.0	2.0	-	\$53	\$106
<b>TOTALS, SALARIES AND WAGES</b>	<b>9.5</b>	<b>12.5</b>	<b>12.5</b>	<b>\$622</b>	<b>\$680</b>	<b>\$739</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

\* Dollars in thousands, except in Salary Range.

### 0977 California Health Facilities Financing Authority - Continued

<b>1 STATE OPERATIONS</b>	<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
<b>0904 California Health Facilities Financing Authority Fund</b>			
APPROPRIATIONS			
Government Code Section 15439	<u>\$622</u>	<u>\$627</u>	<u>\$633</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$622</b>	<b>\$627</b>	<b>\$633</b>
<b>6046 Children's Hospital Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	-	-	\$289
Allocation for contingencies or emergencies	<u>-</u>	<u>\$137</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>-</b>	<b>\$137</b>	<b>\$289</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$622</b>	<b>\$764</b>	<b>\$922</b>

### 0983 California Urban Waterfront Area Restoration Financing Authority

Created in 1983, the California Urban Waterfront Area Restoration Financing Authority (CUWARFA) was established to restore, revitalize and develop in an environmentally and economically sound manner, the coastal and inland urban waterfront areas of the State, in cooperation with local governments. CUWARFA consists of five members: the State Treasurer (Chairperson), the Director of Finance, the State Controller, the Secretary of the Resources Agency, and the Executive Director of the State Coastal Conservancy.

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Public Resources Code, Division 22, Sections 32000-32208.

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

CUWARFA was established to issue up to \$650 million in conduit financing to make loans or acquire title to property and to underwrite or undertake directly a variety of urban waterfront development projects within the coastal zone, the Sacramento-Yolo Port District, the Stockton Port District, and those metropolitan statistical areas meeting specified conditions. The Federal Tax Reform Act of 1986 requires that bonds authorized by CUWARFA generally be within an allocation from the State's "private activity" bond limit in order for the bonds to be federally tax-exempt, unless the issuer qualifies as a private, nonprofit business.

Financing is available for both publicly and privately sponsored projects that provide visitor-serving facilities, waterfront-dependent industries, public recreation, and erosion control facilities. The State Coastal Conservancy must approve both the specific project and a master plan for urban waterfront restoration before any project can obtain CUWARFA approval for revenue bond financing. To date, the Authority has sold \$3.33 million in revenue bonds for the Santa Monica International American Youth Hostel.

### 0985 California School Finance Authority

In 1985 the California School Finance Authority (CSFA) was created to oversee the statewide system for the sale of revenue bonds to reconstruct, remodel or replace existing school buildings, acquire new school sites and buildings to be made available to public school districts (K-12) and community colleges, and to assist school districts by providing access to financing for working capital and capital improvements. CSFA consists of the State Treasurer who is designated as chairman, the Superintendent of Public Instruction, and the Director of Finance.

**3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
10 Charter School Facilities Program	<u>3.3</u>	<u>4.0</u>	<u>4.0</u>	<u>\$515</u>	<u>\$634</u>	<u>\$543</u>
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>3.3</b>	<b>4.0</b>	<b>4.0</b>	<b>\$515</b>	<b>\$634</b>	<b>\$543</b>
<b>FUNDING</b>				<b>2003-04*</b>	<b>2004-05*</b>	<b>2005-06*</b>
0526 California School Finance Authority Fund				\$6	\$-	\$-
6040 Charter School Facilities Account, 2002 State School Facilities Fund				<u>509</u>	<u>634</u>	<u>543</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$515</b>	<b>\$634</b>	<b>\$543</b>

**LEGAL CITATIONS AND AUTHORITY**

\* Dollars in thousands, except in Salary Range.

## 0985 California School Finance Authority - Continued

DEPARTMENT AUTHORITY

Education Code Sections 17170-17199.5.

### DETAILED BUDGET ADJUSTMENTS

	2004-05*			2005-06*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Various Baseline Adjustments	\$-	-\$38	-	\$-	-\$129	-

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### SMART BONDS-SCHOOL FACILITY FINANCING PROGRAM

Chapter 1438, Statutes of 1985, as amended by Chapter 598, Statutes of 1987, established the California School Finance Authority (CSFA) and authorized the issuance of \$400 million in revenue bonds or other debt instruments. The proceeds from the sale of the bonds are available for loans to school and community college districts to assist with the acquisition of equipment and new school sites, construction of new facilities, reconstruction of existing facilities, capital improvements, acquisition of portable/relocatable buildings, and to provide working capital. The proceeds of loan repayments provide the resources necessary for payment of bond debt service. All expenditures of CSFA for debt service and other expenses must be paid from the revenues available to CSFA. Effective January 1, 1997, Chapter 1071, Statutes of 1996, authorized the issuance of an additional \$400 million in revenue bonds per fiscal year for school districts and county offices of education that agree to guarantee payment of the bonds with Proposition 98 funds. The total outstanding amount may not exceed \$4 billion at any one time. Pursuant to Chapter 741, Statutes of 1998, effective January 1, 1999, the \$400 million annual issuance cap was eliminated.

#### 10 CHARTER SCHOOL FACILITIES PROGRAM

Chapter 935, Statutes of 2002 (AB 14), established the Charter Schools Facilities Program (CSFP), and outlined the process by which charter schools may apply for State education bond funds to finance the construction of a new charter school facility. CSFA, the Office of Public School Construction and the State Allocation Board have coordinated the development and implementation of the provisions of the bill including application review, determining financial soundness and project selection. Chapter 587, Statutes of 2003 (SB 15) authorizes additional allowances for school facility modernization funding, modifies eligibility for joint-use school facility funds, and makes provisions for the distribution of CSFP funding anticipated from the 2004 state education bond. CSFA administers the \$400 million Charter School Facilities Program (Program), in coordination with the State Allocation Board. The Program provides funding for the construction and renovation of charter school facilities. The Program provides a 50% state subsidy for charter school facilities for qualifying applicants. The balance of the project cost is repaid to the state in the form of the lease. Eligible charter schools must provide site-based instruction, be deemed financially sound by CSFA, and meet other Program eligibility requirements. Program funding is allocated during funding rounds determined by the State Allocation Board.

### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2003-04*	2004-05*	2005-06*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>CHARTER SCHOOL FACILITIES PROGRAM</b>			
	State Operations:			
0526	California School Finance Authority Fund	\$6	-	-
6040	Charter School Facilities Account, 2002 State School Fund	509	\$634	\$543
	Totals, State Operations	<b>\$515</b>	<b>\$634</b>	<b>\$543</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	515	634	543
	<b>Totals, Expenditures</b>	<b>\$515</b>	<b>\$634</b>	<b>\$543</b>

### EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	3.3	4.0	4.0	\$205	\$248	\$250

\* Dollars in thousands, except in Salary Range.

Total Adjustments	-	-	-	-	10	12
Net Totals, Salaries and Wages	3.3	4.0	4.0	\$205	\$258	\$262

\* Dollars in thousands, except in Salary Range.

**0985 California School Finance Authority - Continued**

1 State Operations	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Staff Benefits	-	-	-	110	99	100
Totals, Personal Services	3.3	4.0	4.0	\$315	\$357	\$362
OPERATING EXPENSES AND EQUIPMENT				\$200	\$277	\$181
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$515</b>	<b>\$634</b>	<b>\$543</b>

**CHANGES IN AUTHORIZED POSITIONS**

	Positions			Expenditures		
	2003-04	2004-05	2005-06	2003-04*	2004-05*	2005-06*
Totals, Authorized Positions	3.3	4.0	4.0	\$205	\$248	\$250
Salary adjustments	-	-	-	-	10	12
Total Adjustments	-	-	-	-	\$10	\$12
<b>TOTALS, SALARIES AND WAGES</b>	<b>3.3</b>	<b>4.0</b>	<b>4.0</b>	<b>\$205</b>	<b>\$258</b>	<b>\$262</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2003-04*	2004-05*	2005-06*
<b>0526 California School Finance Authority Fund</b>			
APPROPRIATIONS			
Education Code Section 17181(a)	\$6	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$6</b>	<b>-</b>	<b>-</b>
<b>6040 Charter School Facilities Account, 2002 State School Facilities Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$531	\$615	\$543
Allocation for employee compensation	-	12	-
Adjustment per Section 3.60	-	7	-
Adjustment per Section 4.10	-22	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$509</b>	<b>\$634</b>	<b>\$543</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$515</b>	<b>\$634</b>	<b>\$543</b>

**0989 California Educational Facilities Authority**

The California Educational Facilities Authority (CEFA) provides funding to assist private non-profit institutions of higher learning in the expansion and construction of educational facilities and educational outreach and to assist students of public and private non-profit institutions of higher learning. CEFA is a public instrumentality of the State comprised of five members: the Director of Finance, the State Controller, the State Treasurer, and two public members appointed by the Governor. All members serve four-year terms.

**LEGAL CITATIONS AND AUTHORITY**

DEPARTMENT AUTHORITY

Education Code Sections 94100-94213.

**PROGRAM DESCRIPTIONS (Program Objectives Statement)**

The California Educational Facilities Authority (CEFA) issues revenue bonds to assist private educational institutions of higher learning in the expansion and construction of nonsectarian educational facilities. Facilities used for sectarian instruction or as a place of religious worship are not eligible for financing from CEFA. Pursuant to Chapter 569, Statutes of 2001, CEFA may include qualifying non-profit entities as eligible program participants for the construction of student and faculty housing. Through its ability to issue tax-exempt bonds, CEFA provides lower cost financing to these institutions than they would be able to secure on the open market. Bonds issued by CEFA are not a debt or liability or a pledge of the faith and credit of the taxing power of the State or any of its political subdivisions. Instead, the full faith and credit of the participating institutions are pledged to the payment of bonds issued by CEFA. Bonds issued for this purpose are not subject to the State's "private activity" bond ceiling as specified in the Federal Tax Reform Act of 1986. The bonds are issued for institutions on a stand-alone basis and also on a pooled or combined basis.

\* Dollars in thousands, except in Salary Range.

## 0989 California Educational Facilities Authority - Continued

Prior to January 1, 1999, CEFA was authorized to have outstanding at any one time \$2.6 billion in bonds for educational facilities. Pursuant to Chapter 741, Statutes of 1998, effective January 1, 1999, there is no limitation in bonds outstanding. As of June 30, 2004, bonds and notes in the amount of \$5.882 billion have been issued and \$3.089 billion were outstanding.

Chapter 1081, Statutes of 2002 (SB 1624), clarifies the authorization for financing faculty housing for colleges and universities, and authorizes the use of up to \$2 million of CEFA funds, on a one-time basis for grants, not to exceed \$250,000 each, to help private colleges expand educational opportunities to low income students. The grant program will sunset January 1, 2009.

Pursuant to Chapter 917, Statutes of 1995, effective January 1, 1996, the California Student Loan Authority (CSLA) was abolished, and the assets, obligations, and functions were transferred to CEFA. The purpose of the CSLA was to purchase federally reinsured educational loans from eligible lending institutions by issuing tax-exempt revenue bonds, thereby expanding student access to such low-cost federally reinsured loans. Pursuant to Chapter 917, the functions were expanded under CEFA to include direct student lending from proceeds of tax-exempt revenue bonds issued by CEFA. Pursuant to Chapter 741, Statutes of 1998, there is no limit on bonds outstanding for student loans. As of June 30, 2004, \$88.46 million in bonds were outstanding, from a total \$265.373 million issued. Bonds for this purpose are subject to the State's "private activity" bond ceiling, as specified in the Federal Tax Reform Act of 1986 and allocated by the California Debt Limit Allocation Committee. Bonds issued for student loans are not a debt, or liability, or a pledge of the faith and credit of the taxing power of the State or any of its political subdivisions. This is a trust activity and all operating expenses must be paid from revenues and other moneys available to CEFA.

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