



FY16 Executive Budget

Schedule 01 Executive Department



**Louisiana Senate
Finance Committee
April 23, 2015**

FY16 Executive Budget

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Executive Department

FY15 Existing Operating Budget vs. Proposed FY16 Budget

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
Executive	\$ 2,665,959,357	\$ 2,275,580,438	<i>\$(390,378,919)</i>

Total Positions	2,026	1,849	<i>(177)</i>
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Other Charges Positions:

25	\$	1,773,650	DOA - Community Development Block Grant
6	\$	206,420	DOA - Executive Administration
7	\$	596,066	CPRA - Implementation
321	\$	22,413,689	GOHSEP - Administrative
359	\$	24,989,825	

FY16 Non-Discretionary Funding

Total Non-Disc.: \$52,480,370

Percent Non-Disc: 2.3%

Total Non-Disc. SGF: \$14,254,405

Non-Disc. T.O.: 45

FY16 Discretionary Funding

Total Discretionary: \$2,223,100,068

Percent Discretionary: 97.7%

Total Discretionary SGF: \$106,993,058

Discretionary T.O.: 1,804

Executive Department

Non-Discretionary/Discretionary Funding by Agency

Non-Discretionary Funding:

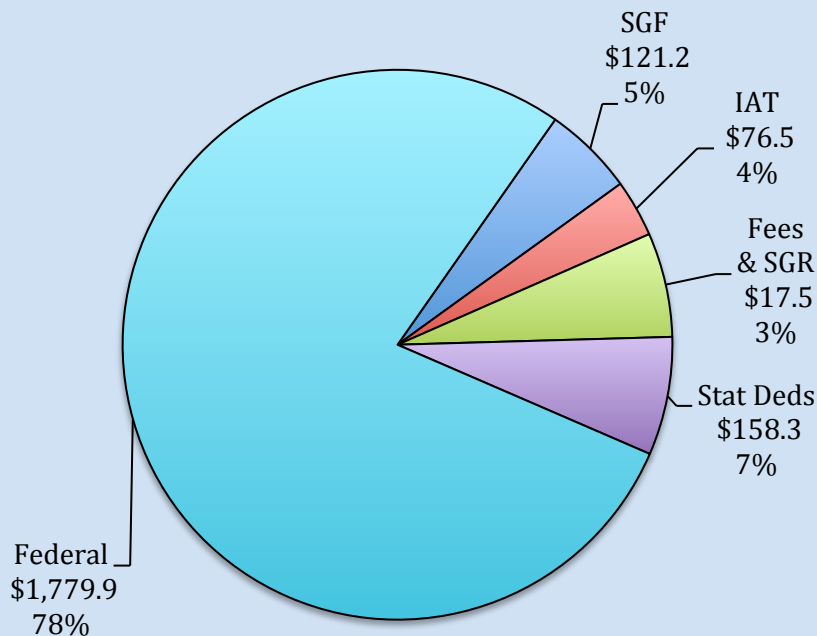
\$405,514 — Executive Office
\$1,281,329 — Office of Indian Affairs
\$54,895 — Office of the Inspector General
\$3,384,823 — Mental Health Advocacy Service
\$205,781 — LA Tax Commission
\$9,584,973 — Division of Administration
\$183,154 — CPRA
\$893,052 — GOHSEP
\$4,239,501 — Military Affairs
\$46,347 — Louisiana Public Defender Bd.
\$23,337,000 — LSED
\$7,407,493 — LCLE
\$339,937 — Office of Elderly Affairs
\$87,522 — Louisiana State Racing Comm.
\$1,029,049 — Office of Financial Institutions

Discretionary Funding:

\$9,497,249 — Executive Office
\$7,200 — Office of Indian Affairs
\$1,879,078 — Office of Inspector General
\$0 — Mental Health Advocacy Service
\$4,072,794 — LA Tax Commission
\$470,515,697 — Division of Administration
\$157,220,189 — CPRA
\$1,289,334,428 — GOHSEP
\$99,884,436 — Military Affairs
\$33,337,279 — Louisiana Public Defender Bd.
\$64,669,475 — LSED
\$24,442,828 — LCLE
\$43,549,469 — Office of Elderly Affairs
\$12,441,347 — Louisiana State Racing Comm.
\$12,248,599 — Office of Financial Institutions

FY16 Executive Dept. Means of Finance

FY16 Total Means of Finance
(In Millions)



Major Non-SGF Sources of Funding:

The largest source of funding in the Executive Department is from Federal money at 78 percent. These sources include the Community Development Block Grant (CDBG Disaster Recover Funds allocated to Louisiana after Hurricanes Katrina, Rita, Gustav, and Ike); the U.S. Environmental Protection Agency (EPA); Coastal Wetlands Policy Protection and Restoration Act (CWPPRA); Federal Emergency Management Agency (FEMA); Homeland Security Grants; Hazard Mitigation Grants; Public Assistance Grants (Stafford Act); and the U.S. Departments of Justice and Commerce.

Statutory Dedications make up 7 percent of the budget, with larger sources including the Coastal Protection and Restoration Fund (\$81 m.); the Louisiana Public Defender Fund (\$33 m.); the Oil Spill Contingency Fund (\$10 m.); and the N.O. Sports Franchise Fund (\$9 m.).

Interagency Transfers are derived from the Department of Natural Resources (Coastal Wetlands Trust Fund), the Department of Education (for Louisiana Education Achievement Results Now (LEARN) Commission and for the Governor's Children's Cabinet), and the Department of Children and Family Services (for Statewide Independent Living Council), among others.

Fees and Self-generated Revenues are derived from a number of sources, including the 4% hotel/motel occupancy tax in Orleans and Jefferson Parishes, rent in state-owned buildings, fees on state land leases, sale of state lands, insurance proceeds, recoveries, reimbursements, and property rentals.

FY15 Existing Operating Budget vs. FY16 Recommended

Schedule 01 Executive Department — Total Expenditures

Expenditure Category	FY15 Existing Operating Budget	FY16 Recommended Budget	Difference
Personal Services	\$169,179,053	\$155,983,281	(\$13,195,772)
Operating Expenses	\$72,008,292	\$63,738,754	(\$8,269,538)
Professional Services	\$9,048,348	\$4,490,902	(\$4,557,446)
Other Charges	\$2,411,795,365	\$2,050,237,258	(\$361,558,107)
Acquisitions & Major Repairs	\$3,717,690	\$1,130,243	(\$2,587,447)
Total Expenditures	\$2,665,959,357	\$2,275,580,438	(\$390,378,919)

FY15 EOB total includes \$210,609 in Unalloted Expenditures.

FY16 Executive Department

Selected Standard Statewide Adjustments

Annualization of FY15 Mid-Year Reduction Plan — (\$6.3 million) Total and (35) T.O.

Performance/Salary Adjustments:

\$2.0 million Total — Salary Base Adjustment

Retirement Adjustments:

(\$1.3 million) Total — La. State Employees' Retirement System Base

Group Insurance Adjustments (tied to OGB rate increase):

\$1.1 million Total — Group Insurance Rate Adjustment for Active Employees

\$677 k. Total — Group Insurance Rate Adjustment for Retirees

(\$133 k.) FSGR and (2) T.O. — Personnel Reductions

Other:

\$1.2 million Total — Acquisitions and Major Repairs

(\$14 million) Total — Non-recurring Carryforwards

(\$29.6 million) Total — Office of Technology Services

(\$2.2 million) SGF — GEMS Savings (procurement)

(\$488 k.) Total and (36) T.O. — Office of State Human Capital

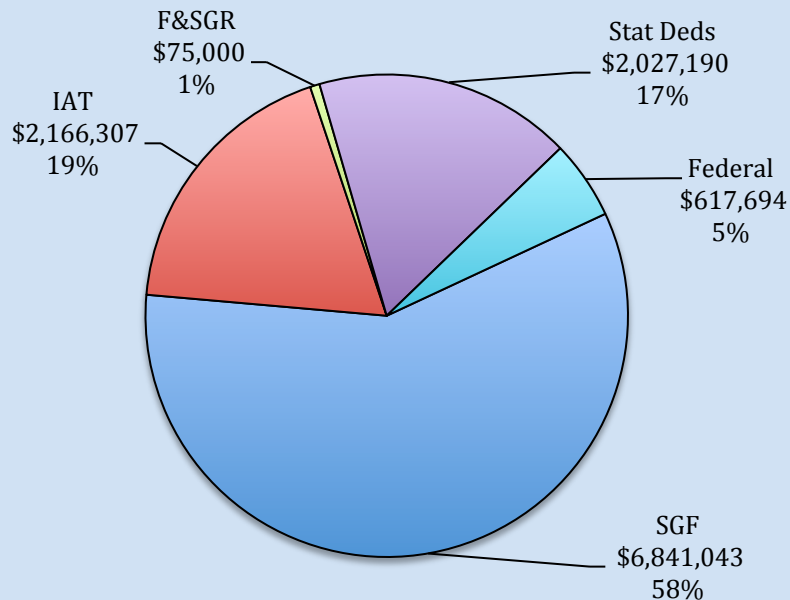
(\$5.2 m.) Total and (82) T.O. — Office of State Procurement

Executive Department

01-100 Executive Office

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
Executive Office	\$ 11,756,555	\$ 9,902,763	\$ (1,853,792)
Total Positions	79	75	(4)

FY16 Total Means of Finance



The Executive Office supports two programs – Administrative, which is the Office of the Governor and supports the following major activities: the La. Commission on Human Rights, Disability Affairs, Community Programs, La. Youth for Excellence, Drug Policy, State Interagency Coordinating Council, the Independent Living Council, and Children’s Cabinet.

The other Program is Coastal Activities, which provides for balancing coastal area uses and flood control demands with solving the recognized catastrophic long-term coastal erosion problem in Louisiana.

- The Administrative program was reduced \$1.6 million (Wallace Foundation Grant, \$985,419 IAT; McArthur Grant, \$103,000 F&SG; and Safe & Drug Free Program, \$571,412 Federal) to reflect actual expenditures.
- Personal Services and travel were also reduced by \$129,682.
- A total of 4 positions (Asst. Director of Legislative Affairs, Deputy Director – Community Programs, Drug Policy Program Manager, Disability Affairs Coordinator) were reduced which were associated with the mid-year reductions (no funding).
- GEMS savings of \$174,814 were effected in the Administrative Program.

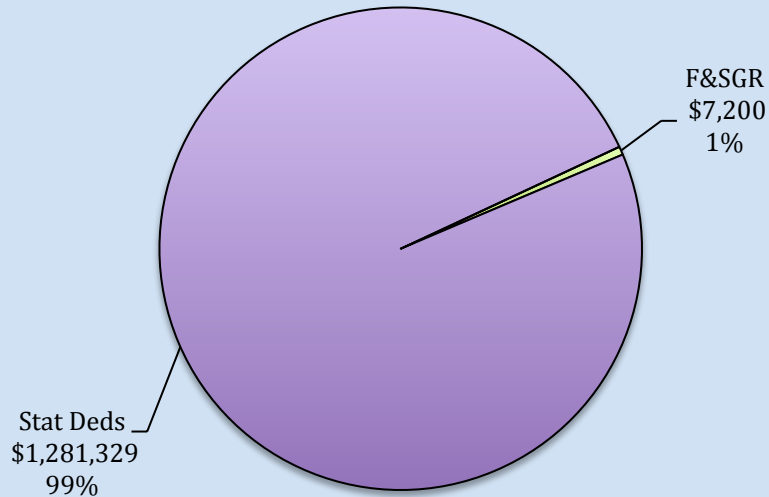
Non-Discretionary	Discretionary
\$405,514	\$9,497,249

Executive Department

01-101 Office of Indian Affairs

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
Indian Affairs	\$ 1,288,529	\$ 1,288,529	\$ -
Total Positions	1	1	-

FY16 Total Means of Finance



The Governor's Office of Indian Affairs acts as a pass through agent as it distributes funding to various local government entities in Avoyelles Parish from the Tunica-Biloxi Casino to be used for infrastructure and awards scholarships to Native-American students.

- No significant adjustments were made to this office.

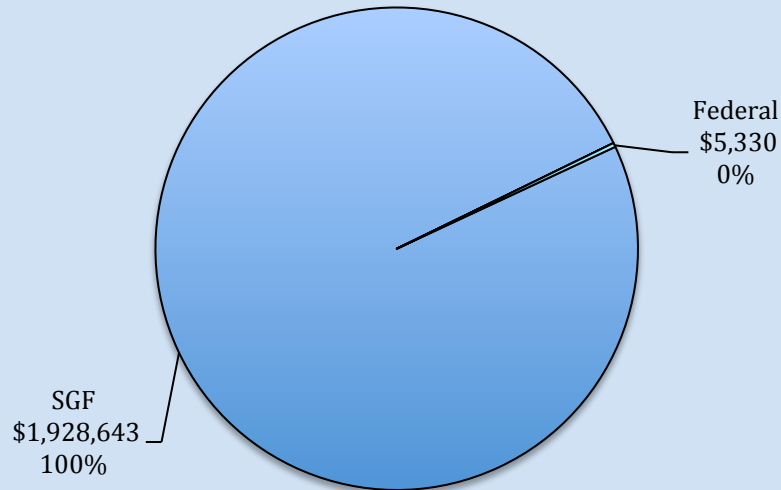
Non-Discretionary	Discretionary
\$1,281,329	\$7,200

Executive Department

01-102 Office of the State Inspector General

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
Inspector General	\$ 1,980,128	\$ 1,933,973	\$ (46,155)
Total Positions	17	16	(1)

FY16 Total Means of Finance



The duty of the Office of the State Inspector General is to investigate, detect, and prevent fraud, corruption, waste, inefficiencies, and mismanagement in Executive branch agencies.

- The agency sustained a reduction of 1 position (Auditor) and \$67,021 in SGF as part of annualized mid-year reductions.
- There was also a reduction of \$25,405 in SGF associated with GEMS savings.
- Additional reductions amounted to \$54,959 for personal services (no positions) and travel.

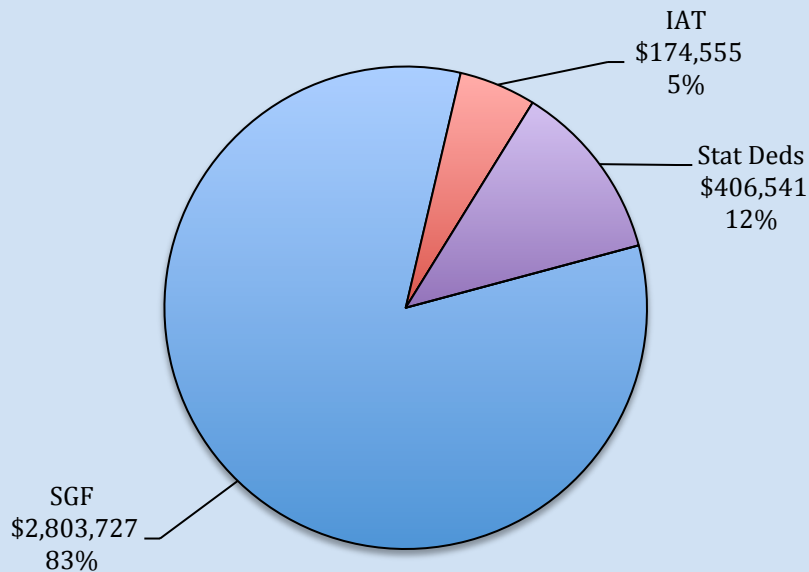
Non-Discretionary	Discretionary
\$54,895	\$1,879,078

Executive Department

01-103 Mental Health Advocacy Service

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
MHAS	\$ 3,220,843	\$ 3,384,823	\$ 163,980
Total Positions	34	34	-

FY16 Total Means of Finance



The Mental Health Advocacy Service makes legal representation to respondents in every civil commitment, provides representation during the initial stages of confinement for indigent persons involuntarily committed, and provides legal representation for children in abuse and neglect proceedings and for children at risk of being committed to mental institutions, among other functions.

- Increases include standard statewide adjustments for salary base (\$172,128) and for annualization of classified state employees performance (\$29,957)
- Decreases include a reduction of \$27,706 in SGF related to GEMS savings, and \$53,387 relative to personal services, operating services, professional services, and supplies related to cost savings measures.

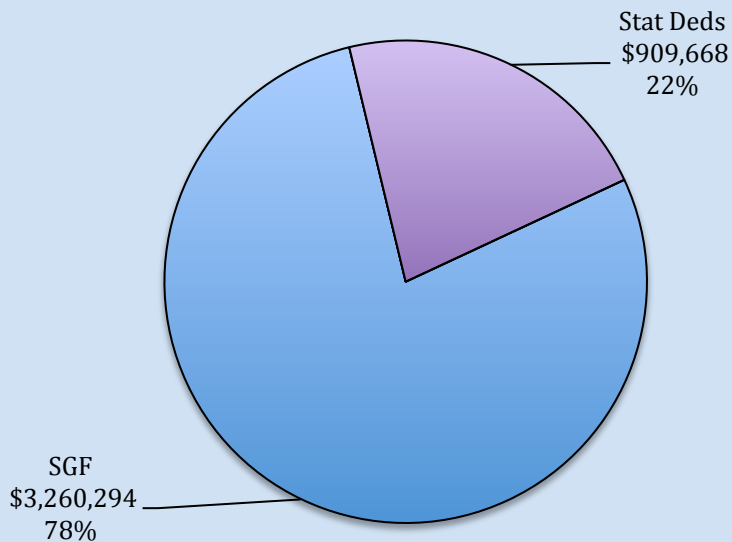
Non-Discretionary	Discretionary
\$3,384,823	\$0

Executive Department

01-106 La. Tax Commission

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
LA. Tax Comm.	\$ 4,169,962	\$ 4,278,575	\$ 108,613
Total Positions	38	38	-

FY16 Total Means of Finance



The La. Tax Commission administers and enforces the laws relating to property taxation and formulates and adopts rules and guidelines to ensure fair and uniform assessment throughout the state. The Commission also determines tax assessment of property and casualty insurance companies and state chartered stock financial institutions and distributes assessment values statewide to local assessor. The Tax Commission also appraises and audits for tax assessment purposes with respect to owners of all public service properties in Louisiana.

- Reduced \$69,690 in SGF relative to a GEMS savings.
- The agency received \$226,888 in SGF as a means of financing swap due to a drop in Revenue Estimates.
- Reduced personal services and travel by \$50,000 in SGF due to cost savings measures.

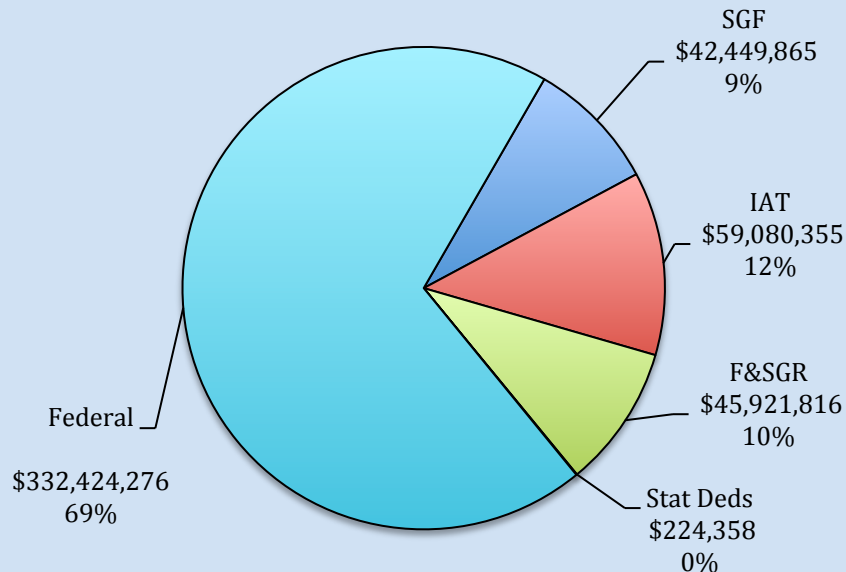
Non-Discretionary	Discretionary
\$205,781	\$4,072,794

Executive Department

01-107 Division of Administration

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
DOA	\$ 826,918,209	\$ 480,100,670	\$ (346,817,539)
Total Positions	609	462	(147)

FY16 Total Means of Finance



The Division of Administration is the central management and administration support agency for the state of Louisiana. It is headed by the commissioner of administration and is composed of three programs: Executive Administration, Community Development Block Grant, and the Auxiliary Program.

Executive Administration

- Some 22 positions were reduced with associated funding of \$1.9 million (\$1.5 SGF) as a result of the annualization of mid-year reductions.
- GEMS savings reduced SGF by \$961,593 and another \$100,000 was reduced in the Office of General Counsel by implementing software to perform tasks.
- General savings were achieved by a \$5.3 million reduction to personal services, operating services, other charges, and professional services, including a reduction in 4 positions.
- A total of \$816,576 in funding associated with the State Broadband and Development Grant was reduced.
- Reduced \$3.2 million for costs associated with maintaining operation of state owned buildings.
- Reduced State Emergency Response Fund funding of \$427,642 to reflect REC projections.

Non-Discretionary	Discretionary
\$9,584,973	\$470,515,697

Executive Department

01-107 Division of Administration

FY16 GEMS SAVINGS		
DEPT		Total:
01A_EXEC	(\$100,000)	(\$100,000)
07A_DOTD	\$0	(\$2,205,192)
08A_CORR	(\$75,000)	(\$75,000)
08B_PSAF	\$0	(\$3,749,325)
08C_YSER	(\$7,000,062)	(\$7,000,062)
09A_DHH	(\$33,922,000)	(\$90,492,520)
10A_DCFS	(\$223,000)	(\$1,086,824)
11A_NATR	\$0	(\$95,969)
20A_OREQ	(\$7,322,851)	(\$7,322,851)
21A_ANCIL	\$0	(\$25,196,000)
Total	(\$48,642,913)	(\$137,323,743)

Continued:

Community Development Block Grant

- Non-recurred \$19.2 million in Hazard Mitigation Grant Program monies.
- Non-recurred \$270 million in excess budget authority relative to Hurricanes Katrina/Rita/ Gustav/Ike.
- Reduces funding totaling \$408,735 (\$63,752 SGF), including 3 positions, to appropriately reflect expenditures.
- Reduced SGF by \$367,168 supporting personal services, operating services, other charges, and professional services.
- Program income to be used in FY 16 is \$24.3 million for Agriculture Loan repayments for the WISE program. This is an increase over the \$12.15 million from such Ag loan repayments which are being used in the current year for WISE.

Auxiliary Account

- Non-recurs \$3 million budget authority associated with the Revolving Loan Fund Account.

Statewide GEMS adjustments shown in chart at left.

Executive Department

01-107 Division of Administration

Continued:

- Transfers 36 positions and associated funding of \$488,097 (\$34,685 SGF) from the Division

Office of State Human Capital Management (In Ancillary Act)

\$25 million IAT Funding - 311 TO

Dispositions of Employees

Departments	Eliminated TO Positions	Transferred TO Positions	Net Change
DOA	-8	-28	-36
LED		-3	-3
DOTD	-3	-30	-33
CORR	-1	-40	-41
PS	-2	-26	-28
OJJ		-5	-5
DHH	-10	-89	-99
DCFS	-4	-43	-47
DNR		-15	-15
REV	-8	-13	-21
LWC	-7	-14	-21
DOE		-10	-10
Total	█ -43	-316 * █	-359

*Note: 5 positions transferred to Civil Service - net to
Human Capital Management in the Ancillary Appropriation bill
= 311

Continued:

The mission of the Office of State Human Capital Management is to provide a centralized, coordinated approach to human capital management strategies. The strategies are designed to to create operational efficiencies and cost savings within this function.

- According to the Division, the current decentralized system is managed at the agency level independent of overall policy directions, Civil Service Rules, and state and federal employment law.
- Consequently, there is inconsistent application of human resources management and policy, which leads to undue litigation exposure.
- A centralized approach is needed to produce operational efficiencies and cost savings by reducing such exposure.

Executive Department

01-107 Division of Administration

Continued:

The creation of the Office of State Procurement is the next step in the State's consolidation of last year's Office of State Purchasing and Office of Contractual Review within the Division of Administration.

- The goal in operating as an Internal Service Fund in the Ancillary Act is to capture procurement costs which are available to the agencies for all means of finance, including Federal Funds.
- The agency indicates that the extent of cost recovery favorably exceeds certain indirect cost recovery rates available to the Division as a central support entity.

Continued:

- Transfers 82 positions and associated funding of \$5.8 million (\$1.7 m SGF) from the Division.

Office of State Procurement (In Ancillary Act)

\$9.5 Million in Funding - 101 TO

Dispositions of Employees

Departments	Eliminated TO Positions	Transferred TO Positions
DOA	0	-82
DOTD	0	-3
DHH	0	-9
LWC	0	-1
DOE	0	-4
ORM	0	-2
	0	
Total	0	-101 *

* Note: Includes 1 Unclassified Position

Audit Findings

DIVISION OF ADMINISTRATION ANALYSIS OF BENSON TOWER LEASE • SEPTEMBER 3, 2014

As a part of an agreement with Saints owner Tom Benson, the State of Louisiana, through the Office Facilities Corporation (OFC), entered into a long-term lease agreement for office space in Benson Tower (formerly known as Dominion Tower) next to the Superdome. Agencies that leased office space in the New Orleans area as of September 14, 2009 were subsequently relocated to Benson Tower.

The average cost per square foot for state agencies that leased office space in New Orleans under previous leases was \$17.66. In 2012, the first full lease year in Benson Tower, the cost per square foot was \$23.78. The Benson Tower lease provides for an annual CPI adjustment. As a result, the 2014 cost per square foot increased to \$25.12.

Based on our review of the previous state leases and current 2014 available listing information in those buildings, the lease rates, including parking, range from \$16 to \$22 per square foot, an average of \$19 per square foot in 2014, as compared to the Benson Tower rate to the state of \$25.12. The current available listing information for other space in Benson Tower shows space available for \$18.50 to \$19 per square foot, with an additional cost for parking.

OFC currently has sub-leases to state agencies for 298,105 of the 322,977 square feet of available space in Benson Tower at an annual rent amount of approximately \$7.5 million. The remaining 24,872 square feet are vacant (including the entire 9th floor) at an annual cost of \$624,784 to the state.

Audit Findings (continued)

OFFICE OF COMMUNITY DEVELOPMENT – INADEQUATE GRANT RECOVERY OF HOMEOWNERS ASSISTANCE PROGRAM AWARDS • DECEMBER 17, 2014

The Community Development Block Grant (CDBG) Homeowner Assistance Program (HAP) is the largest single housing recovery program in U.S. history, with approximately \$8.6 billion in disbursements since fiscal year 2007. This program helps families affected by hurricanes Katrina and Rita get back into their homes. The Office of Community Development (OCD) identified non-compliant HAP awards for 15,095 homeowners totaling \$939 million. A review of 45 additional homeowners participating in the HAP under the CDBG program disclosed that 10 (22 percent) of these homeowners with awards totaling \$944,817 had not provided adequate evidence of compliance with one or more award covenants to the OCD, and OCD has not initiated grant recovery from these homeowners. In addition, awards identified as non-compliant in the previous year totaling \$74.9 million remain in recovery status. Of the \$8 billion in HAP awards disbursed as of June 30, 2014, 16,594 awards totaling \$1 billion are in grant recovery.

OFFICE OF COMMUNITY DEVELOPMENT – INADEQUATE RECOVERY OF SMALL RENTAL PROPERTY PROGRAM LOANS • DECEMBER 17, 2014

The CDBG Small Rental Property Program (SRPP) provides funding to property owners to repair their storm-damaged, small-scale rental properties and make their units available to low- and moderate-income tenants at affordable rates. OCD assigned property owners with SRPP loans totaling \$60 million to loan recovery status for non-compliance with loan requirements. In addition, awards placed in recovery in previous years totaling \$29.5 million remain in recovery status. Of the \$430 million in SRPP outstanding loans as of June 30, 2014, 1,108 loans totaling \$89.5 million are in recovery status.

Source: Key Audit Issues 2015 and Act 461 Report.

Audit Findings (continued)

OFFICE OF COMMUNITY DEVELOPMENT – HAZARD MITIGATION GRANT PROGRAM AWARDS IDENTIFIED FOR GRANT RECOVERY • DECEMBER 17, 2014

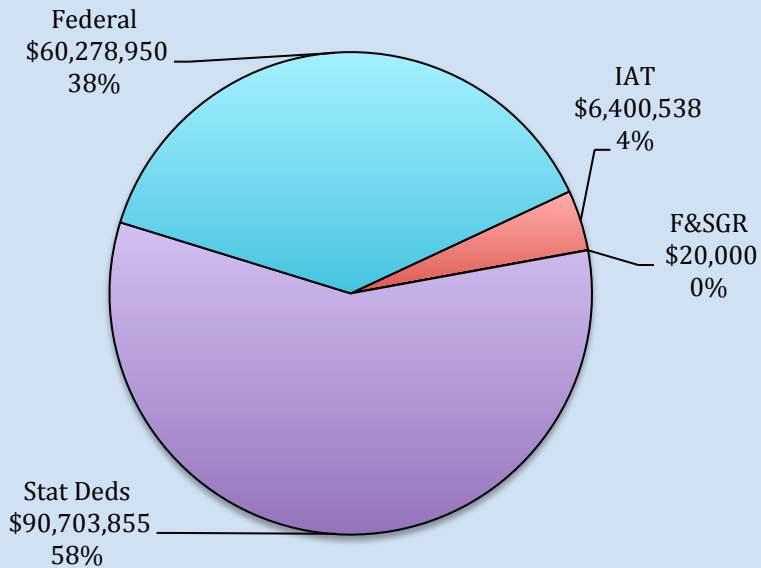
The Hazard Mitigation Grant Program (HMGP) helps homeowners in coastal Louisiana protect their homes from damage in future natural disasters by elevating their homes, reconstructing safer structures, or installing individual mitigation measures. OCD identified 268 non-compliant awards in the HMGP totaling \$6.3 million. In addition, OCD identified 282 awards affected by contractor abandonment, incomplete work, or potential fraud that were not reported in the previous fiscal year and has demanded \$10.4 million from contractors for work not performed.

Executive Department

01-109 Coastal Protection and Restoration Authority

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
CPRA	\$ 178,010,077	\$ 157,403,343	\$ (20,606,734)
Total Positions	160	158	(2)

FY16 Total Means of Finance



The CPRA is responsible for the state's comprehensive coastal master plan designed to address coastal protection and restoration projects.

Significant budget impacts for FY16 include:

- Non-recurring of \$17.2 million in Interagency Transfers budget authority for funding received from the Office of State Police for expenditures related to the Deepwater Horizon oil spill.
- A reduction of \$3.9 million and (2) T.O. for annualization of the FY15 Mid-Year Reduction Plan.
- Non-recurring of \$350 k. in excess budget authority tied to direct claims from the Deepwater Horizon oil spill.
- An addition of \$311 k. for the Office of Technology Services.
- A reduction of \$123 k. for funding associated with Wildlife and Fisheries for biological monitoring of Caernarvon and Davis Pond Freshwater Diversion Program.

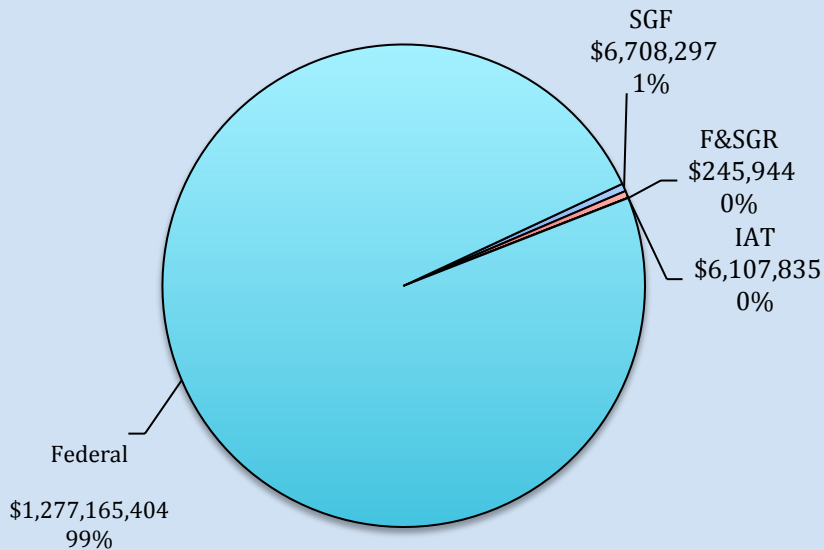
Non-Discretionary	Discretionary
\$183,154	\$157,220,189

Executive Department

01-111 Office of Homeland Security Emergency Preparedness

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
GOHSEP	\$ 1,286,486,416	\$ 1,290,227,480	\$ 3,741,064
Total Positions	53	52	(1)

FY16 Total Means of Finance



The Governor's Office of Homeland Security Emergency Preparedness (GOHSEP) is responsible for the state's preparation for, prevention of, response to, recovery from, and mitigation against manmade or natural disasters.

- Reduced \$100,000 for annualization of mid-year reductions.
- Reduced SGF to effect a GEMS savings of \$18,851,
- Reduced \$980,000 in SGF related to warehouse stockpile and personnel cost reduction by using existing Federal Funds. GOHSEP has determined that the state will have minimal risk by reducing its in-state stockpile of MREs (Meals Ready to Eat) to 150,000, which will be good for five years.
- Annualized a BA-7 which transfers 1 T.O. to the Office of Technology Services.
- Funding for Civil Air Patrol shifted to SGF since DOTD funding is no longer authorized for that activity.

Non-Discretionary	Discretionary
\$893,052	\$1,289,334,428

Executive Department

01-111 Office of Homeland Security Emergency Preparedness

Continued:

Increased funding of \$5 million in SGF for the first of five installment payments to FEMA for the state's outstanding federal debt:

- As of January 9, 2015 the outstanding debt to FEMA was \$58.8 million and three repayment options were offered to the state by FEMA – the Table below reflects the repayment schedule in Option #2.
- The beginning balance owed to FEMA on July 1 will be \$52.1 million. This amount is arrived at by adding interest from January 1 to June 30th of \$219,226 and applying a 60% reduction penalty of \$6.9 million.
- Including payments and interest, the state will pay \$53.8 million over the five year period.

5 Year Accelerated Annual Cash Payments Schedule

Transaction Date	Beginning Balance	Interest	Payment	End Balance
07/01/15	\$ 52,083,233.53	\$ 438,452.71	\$ 5,000,000.00	\$ 47,521,686.24
07/01/16	\$ 47,521,686.24	\$ 438,452.71	\$ 6,910,299.43	\$ 41,049,839.52
07/01/17	\$ 41,049,839.52	\$ 389,938.63	\$ 10,365,449.15	\$ 31,036,329.00
07/01/18	\$ 31,067,329.00	\$ 292,300.11	\$ 13,820,598.86	\$ 17,539,030.25
07/01/19	\$ 17,539,030.25	\$ 166,302.71	\$ 17,705,233.96	\$ -
Total		\$ 1,725,446.87	\$ 53,801,581.40	

Audit Findings

GOVERNOR'S OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS – SUPPORT OF FEDERAL REIMBURSEMENTS – JULY 2013 THROUGH JUNE 2014

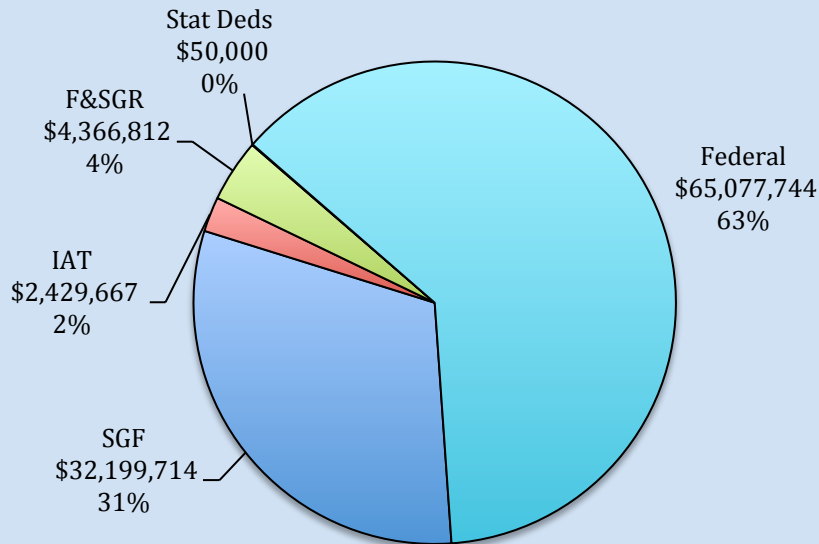
The Legislative Auditor conducted an agreed-upon procedures engagement for the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) to assist in evaluating the completeness and accuracy of documentation submitted in support of federal reimbursements under the Public Assistance and Hazard Mitigation programs. In 2014, Recovery staff conducted 10,244 reviews of federal reimbursement requests totaling \$1,522,979,214. The auditor identified \$126,058,992 in federal reimbursements that were not supported by sufficient documentation at the time of the review.

Executive Department

01-112 Department of Military Affairs

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
Military Affairs	\$ 116,080,344	\$ 104,123,937	\$ (11,956,407)
Total Positions	760	741	(19)

FY16 Total Means of Finance



The Department of Military Affairs is funded at \$104.1 million for FY16, which represents a \$11.9 million, or 10.3 percent, decrease from the FY15 Existing Operating Budget. There is also a reduction of (19) T.O.

Significant budget changes for FY16 include:

- \$8.1 million reduction in funding associated with non-recurred carry-forwards. (\$4 million) - State General Fund, (\$1.4 million) - Interagency Transfers, (\$51,679) Self-generated Revenues, (\$250,000) - Statutory Dedications, (\$2.4 million) - Federal Funds.
- \$1.3 million reduction in funding in IAT budget authority that non-recurs funding associated with the disposal of unstable Army explosive materials at Camp Minden.
- A reduction of (8) T.O. positions and \$1.3 million in the Military Affairs Program out of State General Fund and Federal Funds for personal services, operating services, supplies, other charges, and travel due to cost saving measures.
- A reduction of (6) T.O. positions and \$1.1 million in the Education Program out of State General Fund and Federal Funds for personal services, operating services, supplies, other charges, and travel due to cost saving measures.
- A reduction of \$559,843 in SGF is due to GEMS initiatives.

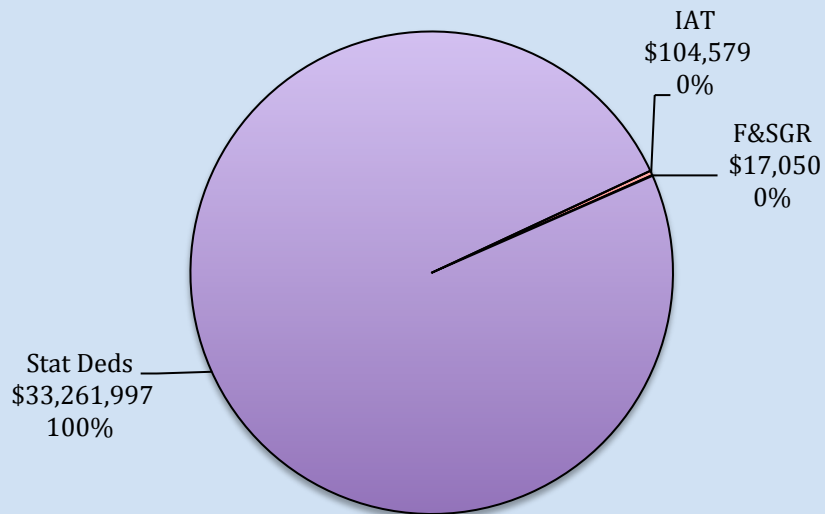
Non-Discretionary	Discretionary
\$4,239,501	\$99,884,436

Executive Department

01-116 Louisiana Public Defender Board

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
LPDB	\$ 34,111,334	\$ 33,383,626	\$ (727,708)
Total Positions	16	16	-

FY16 Total Means of Finance



The Public Defender Board is charged with providing a system of qualified counsel for indigent defendants in criminal court cases.

Significant budget impacts for FY16 include:

- A reduction of \$517 k. tied to cost savings measures in several expenditure categories, including personal services, travel, operating services, supplies, professional services, other charges, and acquisitions.
- A reduction of \$273 k. in Non-recurring Carryforwards, among other statewide adjustments.

Non-Discretionary	Discretionary
\$46,347	\$33,337,279

Audit Findings

LOUISIANA PUBLIC DEFENDER BOARD, OVERSIGHT OF CAPITAL DEFENSE SERVICES • FEBRUARY 12, 2014

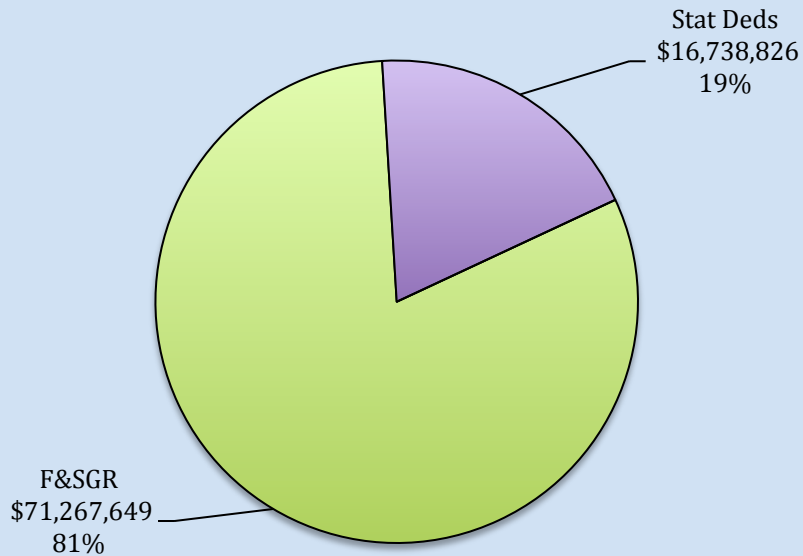
The Louisiana Public Defender Board (LPDB) did not adequately monitor the work of all capital defense attorneys to ensure the attorneys provide high-quality legal representation, nor had it established mandatory performance standards for the attorneys as required by state law. In addition, the LPDB did not adequately track the cost of capital defense services to ensure they are provided in a cost-effective and fiscally responsible manner, and the board did not comprehensively monitor whether each judicial district office complies with the state-mandated Capital Defense Guidelines, which outline the structure of capital defense services in Louisiana, including the assignment and qualifications of the defense teams and attorney workloads.

Executive Department

01-124 Louisiana Stadium and Exposition District

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
LSED	\$ 88,582,644	\$ 88,006,475	\$ (576,169)
Total Positions	-	-	-

FY16 Total Means of Finance



The Stadium and Exposition District provides for the operation of the Mercedes-Benz Superdome and Smoothie King Center, which are privately managed by SMG.

Significant budget impacts for FY16 include:

- A reduction of \$631 k. tied to decreased revenue projections.
- An addition of \$54 k. for Risk Management among statewide adjustments.

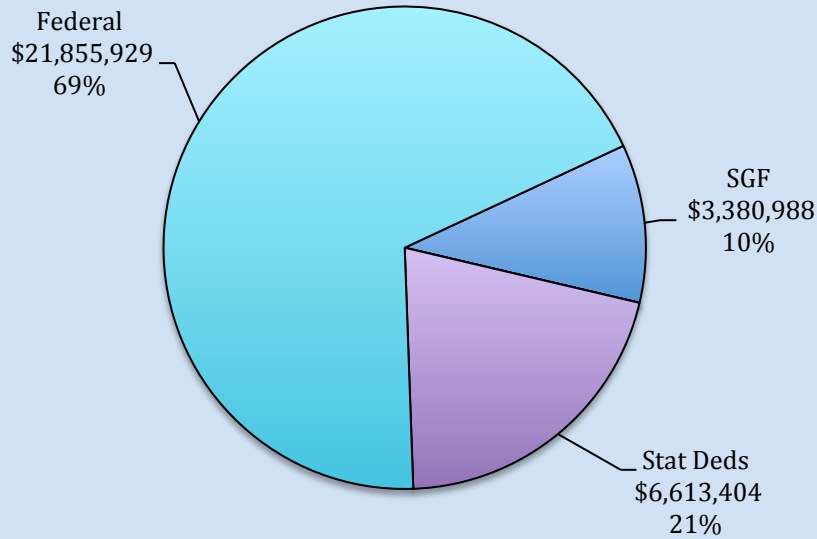
Non-Discretionary	Discretionary
\$23,337,000	\$64,669,475

Executive Department

01-129 Louisiana Commission on Law Enforcement

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
LCLE	\$ 35,963,951	\$ 31,850,321	\$ (4,113,630)
Total Positions	41	40	(1)

FY16 Total Means of Finance



The Commission on Law Enforcement serves the criminal justice community through state and federal law enforcement grant programs, ethics and professional standards training, and provision of services for crime victims.

Significant budget impacts for FY16 include:

- A reduction of \$2 million in Federal funding due to reduced spending from federal grant formula dollars.
- A reduction of \$2 million in non-recurred SGF for the Orleans Parish Sheriff's Office inmate housing.
- An increase of \$1.2 million in Federal funding for the National Instant Background Check System Discretionary Grant provided by the U.S. Department of Justice.
- A reduction of \$671 k. in statutory dedications out of the Crime Victims Reparations Fund due to a decrease in the REC revenue projection.
- A reduction of \$41 k. and (1) T.O. tied to annualization of Mid-Year FY15 Reductions.

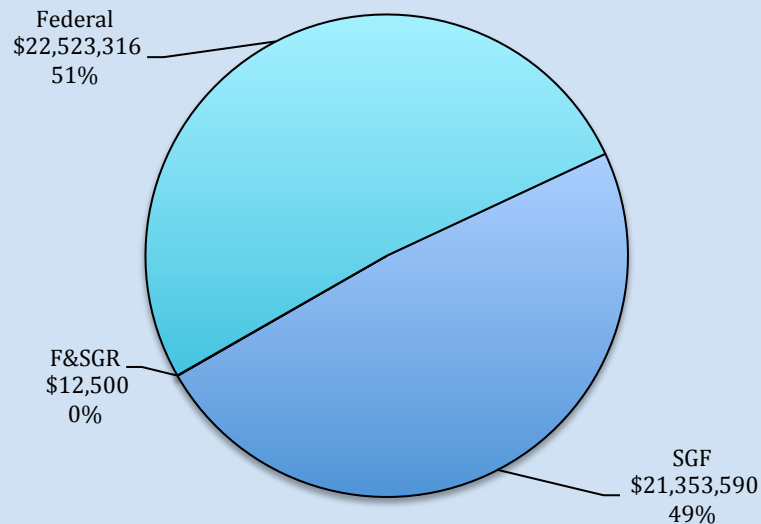
Non-Discretionary	Discretionary
\$7,407,493	\$24,442,828

Executive Department

01-133 Office of Elderly Affairs

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
Elderly Affairs	\$ 51,269,463	\$ 43,889,406	\$ (7,380,057)
Total Positions	24	24	-

FY16 Total Means of Finance



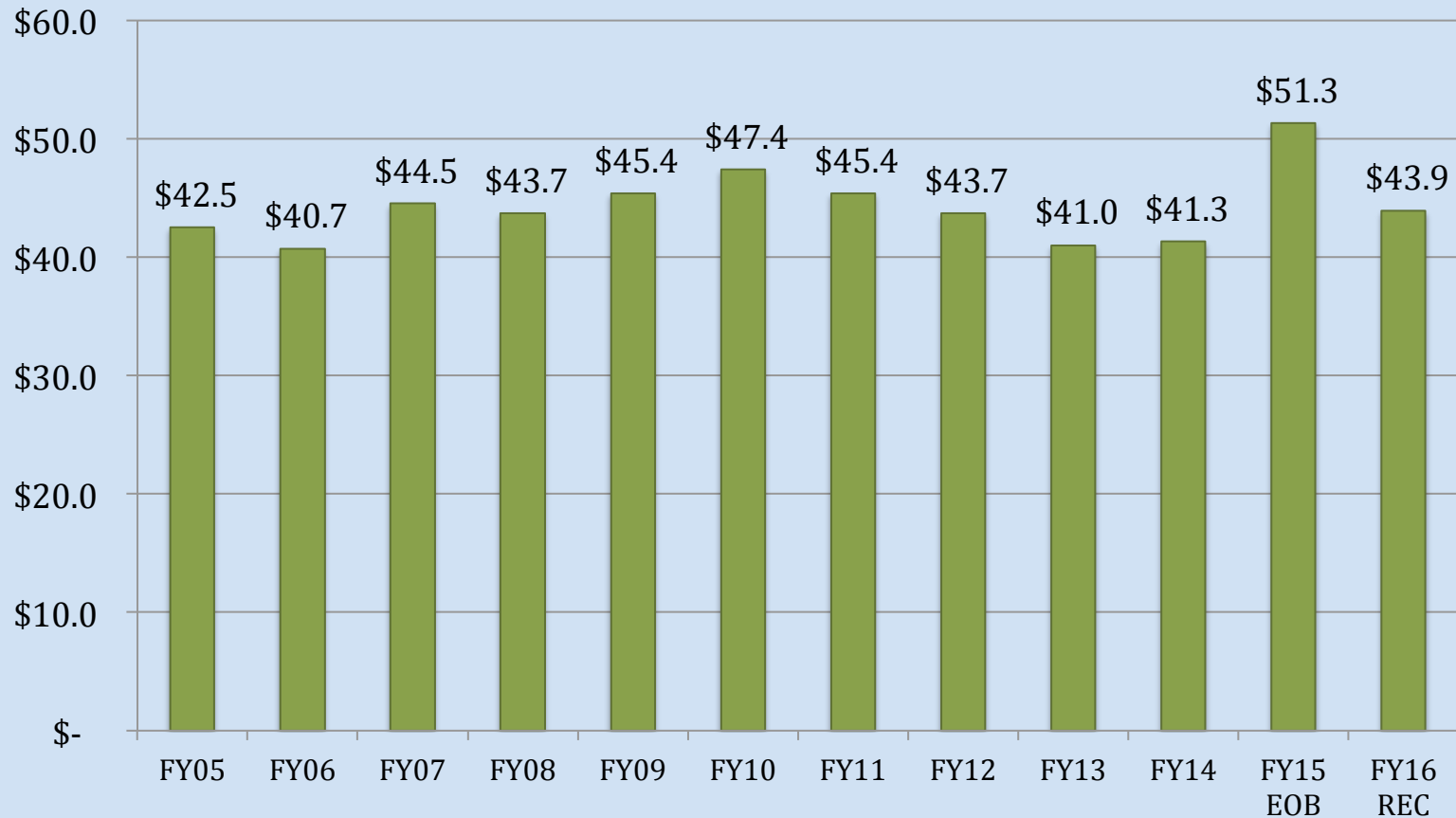
- The Office of Elderly Affairs is charged with advocating for and addressing the needs of the state's elderly citizens.
- The Office of Elderly Affairs is funded at \$43.89 million for FY16, which represents a \$7.4 million or 14.4 percent decrease from the FY15 Existing Operating Budget.
- Significant nonrecurring budget authority reductions for FY16 include:
 - A reduction of (\$1.7 million) in Statutory Dedications out of the Overcollections Fund for Parish Councils on Aging.
 - A reduction of (\$6 million) for Council on Aging activities.
 - A reduction of funding in the amount of (\$20,819) out of the State General Fund for expenditures associated with GEMS savings.

Non-Discretionary	Discretionary
\$339,937	\$43,549,469

FY16 Executive Budget

01-133 — Office of Elderly Affairs

Elderly Affairs Total Funding in \$ Millions



Audit Findings

Governor's Office of Elderly Affairs MANAGEMENT AND OVERSIGHT OF THE AGING NETWORK IN LOUISIANA • NOVEMEER 19, 2014

The Governor's Office of Elderly Affairs (GOEA) could improve its management and oversight of the Area Agencies on Aging and the Councils on Aging that make up the network serving the elderly in the state. Louisiana has a larger network for the aging than is typical of other states, which has resulted in unclear roles and responsibilities for the entities involved. In addition, not all of the entities have the ability to manage the data that would help them determine the effectiveness of their work.

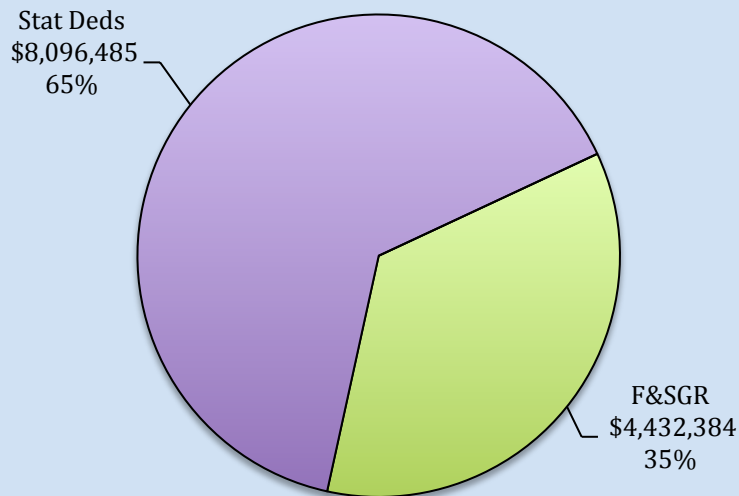
Many of these entities also face obstacles in providing services for the elderly in their communities, such as a lack of funding, a lack of transportation, and a poor tax base. GOEA could improve its oversight of the network by making better use of data to evaluate whether the elderly are receiving the services they need and requiring standardized management practices among the agencies.

Executive Department

01-254 La. State Racing Commission

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
LSRC	\$ 12,538,544	\$ 12,528,869	\$ (9,675)
Total Positions	82	82	-

FY16 Total Means of Finance



The State Racing Commission is to supervise, regulate, and enforce all statutes concerning horse racing and pari-mutuel wagering for live horse racing on-track and by simulcast; to collect and record all taxes due to the state; and to perform administrative functions.

- Reduces funding by \$231,422 for legal services and other charges based on historical actuals for those expenditure categories.
- Other adjustments are for standard statewide expenses.

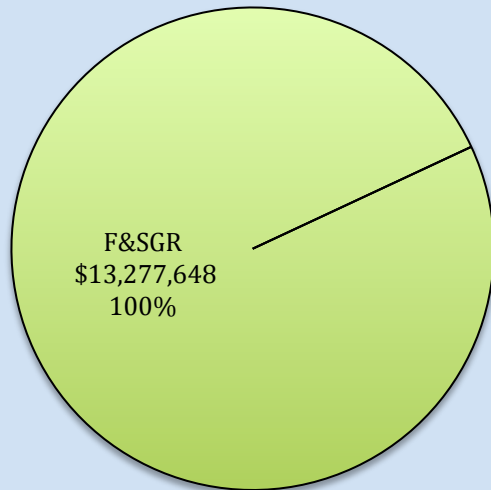
Non-Discretionary	Discretionary
\$87,522	\$12,441,347

Executive Department

01-255 Office of Financial Institutions

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
OFI	\$ 13,582,358	\$ 13,277,648	\$ (304,710)
Total Positions	112	110	(2)

FY16 Total Means of Finance



The Office of Financial Institutions is to license and supervise entities under its jurisdiction such as as depository institutions, including banks, savings and loans; non-depository institutions such as consumer loan brokers, pawn brokers, mortgage lenders, check cashers, among others; and securities entities, including broker dealers and investment advisors.

- Reduces funding by \$133,278 and 2 Compliance Examiner 1 positions related to the Depository activity.
- The agency was also reduced by \$233,278 for attrition, travel, and training.

Non-Discretionary	Discretionary
\$1,029,049	\$12,248,599

Audit Findings (continued)

OFFICE OF FINANCIAL INSTITUTIONS – REGULATION OF PAYDAY LENDERS • JULY 9, 2014

The state Office of Financial Institutions (OFI) needs to strengthen its examination, follow-up, enforcement, and complaint procedures for payday lenders. OFI examiners do not sufficiently document their work, which means they are unable to ensure all payday lending violations are identified and appropriately cited. Examination procedures also do not ensure that examiners can detect whether payday lenders are providing illegal rollovers, using their multiple locations for issuing multiple loans to the same borrower on the same day instead of one consumer loan, or reducing loan fees when borrowers pay off their loans early.

In addition, OFI did not assess any penalties between January 1, 2010, and June 30, 2013, despite finding 8,315 violations involving payday lenders, including 8,082 major ones. OFI also did not follow up on 6,612 violations that required a refund, meaning it cannot be certain the borrower received one. Finally, OFI did not have a comprehensive process in place to address verbal complaints against payday lenders. Staff did not follow up on almost half of borrower complaints received between January 1, 2010, and June 30, 2013 because they were not submitted in writing.