

GOVERNMENTAL OPERATIONS

Agency 075

**Office of the Governor
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	50.4	12,239	0	12,239
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(676)	676	0
2. Updated PEBB Rate	0.0	(35)	0	(35)
3. Paid Family Leave--Employer Premium	0.0	3	0	3
Maintenance -- Comp Total	0.0	(708)	676	(32)
Maintenance Central Services Changes:				
4. CTS Central Services	0.0	1	0	1
5. DES Central Services	0.0	2	0	2
6. OFM Central Services	0.0	1	0	1
7. Workers' Compensation	0.0	(3)	0	(3)
8. DES Rate Compensation Changes	0.0	10	0	10
Maintenance -- Central Svcs Total	0.0	11	0	11
Total Maintenance Changes	0.0	(697)	676	(21)
2017-19 Maintenance Level	50.4	11,542	676	12,218
Policy Other Changes:				
9. Oversight Board for DCYF	1.3	405	0	405
10. OEO Database Implementation	0.0	78	0	78
Policy -- Other Total	1.3	483	0	483
Policy Comp Changes:				
11. PERS & TRS Plan 1 Benefit Increase	0.0	4	0	4
Policy -- Comp Total	0.0	4	0	4
Policy Central Services Changes:				
12. CTS Central Services	0.0	3	0	3
13. DES Central Services	0.0	13	0	13
14. OFM Central Services	0.0	3	0	3
15. CTS Fee for Service Adjustment	0.0	8	0	8
Policy -- Central Svcs Total	0.0	27	0	27
Total Policy Changes	1.3	514	0	514
2017-19 Policy Level	51.6	12,056	676	12,732

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
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POLICY CHANGES

1. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the Legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

2. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State)

3. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State)

4. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

5. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

6. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

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Recommendation Summary

7. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

8. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State)

9. Oversight Board for DCYF

Funding for two FTE staff and Oversight Board expenses is provided to the Office of Family and Children's Ombuds (OFCO), which is tasked with monitoring and ensuring that the Department of Children, Youth, and Families (DCYF) achieves its stated outcomes. These staff will provide administration and support of the board. (General Fund-State)

10. OEO Database Implementation

Funding is provided for the Office of the Education Ombuds (OEO) to replace its database system with one that is compliant with state security standards, creates a mobile responsive and accessible experience for customers, streamlines business processes, increases OEO's ability to participate in the state's open data initiative, and receives ongoing technical support. (General Fund-State)

11. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

12. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

13. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

14. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

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15. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State)