

Department of Administration

Expenditures By Program	FY2020	FY2021	FY2021	Change from		FY2022	Change from	
	Actual	Enacted	Revised	Enacted		Governor	Enacted	
Accounts and Control	\$5.6	\$5.3	\$7.0	\$1.7	32.6%	\$4.8	(\$0.5)	-8.7%
Office of Management and Budget	8.6	9.5	9.8	0.2	2.3%	9.7	0.2	1.8%
Capital Asset Management and Maintenance	38.0	26.7	58.1	31.4	117.4%	25.4	(1.4)	-5.2%
Central Management	98.8	204.4	238.6	34.3	16.8%	129.2	(75.2)	-36.8%
Debt Service Payments	183.9	194.0	193.8	(0.3)	-0.1%	184.7	(9.3)	-4.8%
Energy Resources	16.2	8.5	13.9	5.4	64.2%	9.6	1.1	12.6%
General	46.6	123.1	128.3	5.2	4.2%	85.8	(37.3)	-30.3%
Human Resources	0.4	0.4	0.4	-	0.0%	1.1	0.7	180.2%
Information Technology	13.4	11.0	20.0	9.1	82.8%	3.7	(7.3)	-66.5%
Legal Services	2.1	2.3	3.2	1.0	42.7%	2.3	(0.0)	-0.4%
Library and Information Services	2.6	3.0	3.0	0.0	0.3%	3.2	0.2	8.1%
Personnel Appeal Board	0.1	0.1	0.1	-	0.0%	0.1	-	0.0%
Personnel and Operational Reforms	(2.0)	-	-	-	-	3.2	3.2	100.0%
Planning	5.1	7.3	7.4	0.1	1.5%	5.9	(1.4)	-18.8%
Purchasing	4.2	4.5	4.1	(0.4)	-9.1%	4.1	(0.4)	-8.4%
Rhode Island Health Benefits Exchange (HealthSource RI)	8.8	21.5	21.9	0.4	1.7%	24.9	3.4	15.6%
The Office of Diversity, Equity and Opportunity	1.3	1.4	1.5	0.0	0.7%	1.2	(0.2)	-15.3%
Total	\$433.9	\$623.0	\$711.1	\$88.1	14.1%	\$498.9	(\$124.1)	-19.9%

Expenditures By Source

General Revenue	\$219.4	\$313.0	\$216.7	(\$96.3)	-30.8%	\$243.2	(\$69.8)	-22.3%
Federal Funds	107.5	205.9	382.3	176.5	85.7%	149.6	(56.3)	-27.3%
Restricted Receipts	32.7	38.8	47.0	8.1	20.9%	30.0	(8.8)	-22.7%
Other Funds	74.4	65.3	65.2	(0.2)	-0.2%	76.1	10.8	16.5%
Total	\$433.9	\$623.0	\$711.1	\$88.1	14.1%	\$498.9	(\$124.1)	-19.9%

Authorized FTE Levels 647.7 647.7 647.7 - 0.0% 649.7 2.0 0.3%

\$ in millions. Totals may vary due to rounding.

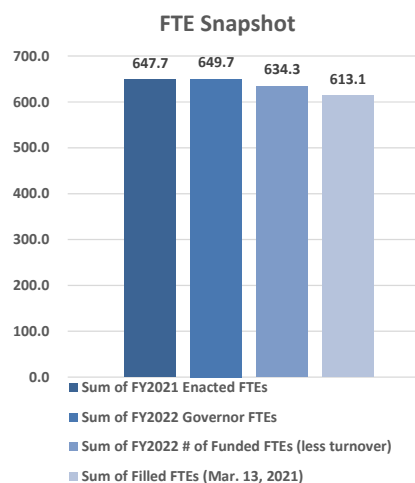
The Department of Administration's primary function is to provide support services to state departments and agencies. The Department of Administration was created to consolidate the finance, purchasing, and management functions of the State. There are 17 sub-programs with specific functions within the Department of Administration.

MAJOR ISSUES AND TRENDS

The FY2020 Actual Budget totals \$433.9 million, of which \$219.4 million is general revenue. This reflects a general revenue overspend of \$24.8 million. The Department had \$219.4 million in actual federal expenses. This reflects a federal fund overspend of \$62.0 million from the FY2020 Final Budget as Enacted. The Department's excess expenditures are a direct result of the COVID-19 Pandemic response.

The Supplemental Budget includes an all funds appropriation of \$711.1 million in FY2021, reflecting a net increase of \$88.1 million from the FY2021 Budget as Enacted. General revenues total \$216.7 million and comprise 30.5 percent of the Department's total appropriation. General revenues decrease by \$96.3 million from the previous fiscal year, reflecting the use of federal COVID-19 Relief funds in place of general revenues.

The FY2022 Budget includes an all funds appropriation of \$498.9 million in FY2022, reflecting a net decrease of \$124.1 million from the FY2021 Budget as Enacted. General revenues total \$243.2 million and comprise 48.7 percent of the Department's total appropriation. General revenues decrease by \$69.8 million



from the previous fiscal year, which includes a \$16.2 million reduction for direct COVID-19 response expenditures. Federal funds are \$149.6 million, reflecting a net decrease of \$56.3 million from reduced COVID-19 response funds.

The Budget increases the Department's number of full-time employees by 2.0 FTE positions. The Budget adds 1.0 FTE Associate Director – Financial Management position at a cost of \$179,768 and a Principal Insurance Analyst position at a cost of \$113,167, within a new Risk Management Unit under Central Management to manage the State's comprehensive insurance policies.

COVID-19 Response

(\$16.2 million)

The Budget includes a net decrease of \$16.2 million in general revenues and \$61.6 million in federal funds for the Department of Administration's response to COVID-19.

COVID-19 General Revenue	FY2021 Enacted	FY2022 Governor	Change
Capital Asset Management and Maintenance	\$15,865,000	\$0	(\$15,865,000)
Legal Services	300,000	-	(300,000)
Total	\$16,165,000	\$0	(\$16,165,000)

COVID-19 Federal	FY2021 Enacted	FY2022 Governor	Change
Central Management	\$202,300,000	\$126,594,669	(\$75,705,331)
Capital Asset Management and Maintenance	-	14,843,184	14,843,184
Office of Management and Budget	726,930	-	(726,930)
Accounts and Control	347,447	-	(347,447)
Information Technology	-	327,707	327,707
Total	\$203,374,377	\$141,765,560	(\$61,608,817)

The funds are allocated as follows:

- **Surge Hospital Operations and Deconstruction:** The Budget decreases general revenues by \$11.4 million and includes \$12.0 million in federal funds for alternate hospital sites, deconstruction, lease costs and other expenses.
- **Quarantine and Isolation:** The Budget decreases \$2.6 million in general revenue and includes \$2.1 million in federal funds for quarantine and isolation related expenses, which includes temporary housing for those that cannot isolate in their homes and for individuals and facilities experiencing homelessness.
- **Government Readiness:** The Budget decreases general revenue by \$1.9 million and includes \$759,112 in federal funds for government readiness related to COVID-19 response services, screening and reconfiguration of lobby and cubicle areas in the state.
- **Legal Costs:** The FY2021 Budget as Enacted included \$300,000 in general revenue for miscellaneous outside legal costs as part of the State's COVID-19 Response. The Governor does not include further funding for this item in FY2022.
- **Hospital Assistance Partnership Program:** The FY2021 Budget as Enacted included \$125.0 million in federal Coronavirus Relief Funds to reflect Phase II of the Hospital Assistance Partnership Program (HAPP) grants. Phase I of the grants totaled \$95.4 million and were paid in FY2020. These grants are used to offset the negative impact of the COVID-19 pandemic on hospital finances, including additional costs associated with the treatment of COVID patients and securing personal protective equipment as well as the losses sustained by the suspension of voluntary procedures. The Governor does not include further funding for this item in FY2022.
- **Emergency Rental Assistance Program:** The Budget includes federal funding of \$120.0 million in FY2022 and \$80.0 million in the FY2021 Supplemental Budget for the State's COVID-19 emergency

rental assistance program administered in partnership with RI Housing. On March 31, 2021, the State received \$200.0 million in federal funding and RI Housing began accepting applications for the RentRelief RI program to provide rental and utility relief to eligible renters to maintain housing stability.

ACCOUNTS AND CONTROL

Accounts and Control promotes the financial integrity and accountability of State government through administrative, accounting controls, and procedures. The program administers a comprehensive accounting and recording system which classifies department and agency transactions in accordance with the budget plan; maintains control accounts of assets for all departments and agencies; and operates financial, accounting and cost systems for all departments and agencies.

The program also prepares several publications, including the Comprehensive Annual Financial Report, Condensed State Financial Report, State Payroll Manual, Procedural Handbook of the Department of Administration, and the Consolidated Statewide Cost Allocation Plan.

Accounts and Control	General Revenue
FY2021 Enacted	\$4,795,477
<i>Target and Other Adjustments</i>	<i>(59,475)</i>
Information Technology Charges	(183,626)
Personnel Adjustments	(146,873)
Turnover	(130,233)
Contract Services	(100,000)
FY2022 Governor	\$4,358,896

Accounts and Control	Other Fund Changes
Personnel	(\$347,447)
Grants Management	330,912

Information Technology Charges ***(\$183,626)***

The Budget decreases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. These expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$924,626 for this expense, which is decreased by \$183,626 to \$741,000 in the FY2022 proposed budget.

Personnel Adjustments ***(\$146,873)***

The Budget decreases by \$146,873 in general revenue reflecting the shift of personnel costs from general revenue to restricted receipts for a Grants Management System Administration line sequence. The Budget charges a portion of the salary and benefits costs associated with 4.0 FTEs to this new restricted receipt account, which would be financed through an assessment on federal grants.

Turnover ***(\$130,233)***

The Budget includes \$260,854 for turnover, an increase of \$130,233 in general revenue savings over the \$130,621 included in the FY2021 Budget as Enacted. According to the Budget Office, the turnover amount reflects the Department's budget request. The Department of Administration averaged 17.8 vacancies over FY2020. The reduction is equivalent to 1.1 FTE positions.

Contract Services**(\$100,000)**

The Budget reduces general revenues by \$100,000 for contracted accounting and audit services within Accounts and Control program. This funding was provided as part of the FY2021 Budget as Enacted when the Federal Grants Management office was transferred from the Office of Management and Budget to Accounts and Control. According to the Department, funding for this contracted service is not required in FY2022.

COVID-19 Response (federal funds)**(\$347,447)**

The Budget reduces federal funds by \$347,447 reflecting the return of these personnel expenditures to general revenue that were covered by federal funds in FY2021. The FY2021 Budget as Enacted included a shift of personnel expenses from general revenue to federal funds to reflect expenses incurred by the Department of Administration in response to the COVID-19 pandemic and the expenses were covered by available federal stimulus funds. The Governor recommendation assumes that these federal funds will not be available in FY2022, and as a result there is a decrease in federal funds.

Grants Management (restricted receipts)**\$330,912**

The Budget increases restricted receipts by \$330,912, reflecting the establishment of a Grants Management System Administration line sequence, and charges a portion of salary and benefits costs associated with 4.0 FTEs to this new account, which would be financed through an assessment on federal grants.

Section 4 of Article 2 adds language to RIGL 35-1.1-5 creating the Grants Management System Administration restricted receipt account within the Department of Administration for the purpose of centralizing the administrative costs in managing federal grant applications, providing administrative assistance on reporting requirements, technical assistance, and approving agreements with federal agencies. The account will be exempt from the 10.0 percent indirect cost recovery charge on restricted receipt accounts under RIGL 35-4-27. All state agencies receiving federal funds shall deposit into this fund an amount equal to a percentage determined annually by the State Controller multiplied by the federal funds received by the agency.

OFFICE OF MANAGEMENT AND BUDGET

The Office of Management and Budget (OMB) serves as the principal agency for budget, performance management, and federal grants management. OMB includes the following functions:

- **Budget Office:** Provides advice to the Governor relating to the financial management of state government, evaluating necessary resources, analyzing state programs, priorities and alternatives, and suggesting the optimum allocation of resources to meet policy and management goals. The Budget Office also prepares fiscal notes on legislation, participates in the Revenue and Caseload Estimating Conferences, and prepares presentations to bond rating agencies.
- **Director:** Assists departments and agencies with strategic planning and continuous improvement processes to enhance management.
- **Performance Management:** Develops and monitors performance measures for each state agency.
- **Strategic Management:** Assists departments and agencies with strategic planning.
- **Office of Internal Audit:** Conducts audits on any state agency, state entity, or private entity receiving state funding or grants. The OIA evaluates the efficiency of an agency's operations and internal controls, and prevents or detects fraud and mismanagement.

Office of Management and Budget	General Revenue
FY2021 Enacted	\$7,479,409
<i>Target and Other Adjustments</i>	
Personnel	678,026
Information Technology Charges	(115,240)
Software Maintenance Agreements	69,292
Contract Services	(35,000)
FY2022 Governor	\$8,076,487

Office of Management and Budget	Other Fund Changes
COVID-19 Response	(\$726,930)
SNAP Fraud Framework Implementation Grant	224,755

Personnel **\$678,026**

The Budget increases general revenue by \$678,026 reflecting the restoration of funds that were covered by federal COVID-19 Response appropriations in the previous budget. The FY2021 Budget as Enacted shifted \$726,930 of general revenue funded personnel costs to federal funds for work associated with pandemic response. The FY2022 Budget assumes that these personnel costs cannot be charged to federal funds in FY2022 and shifts the costs back to general revenue, less a portion retained for turnover savings.

Information Technology Charges **(\$115,240)**

The Budget decreases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. These expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$463,646 for this expense, which is decreased by \$115,240 to \$348,406 in the FY2022 proposed budget.

Software Maintenance Agreements **\$69,292**

The Budget adds \$69,292 in general revenue for software maintenance agreements for ongoing information technology services related to the Budget Formulation and Management software system used to formulate and prepare reports on budgets.

Contract Services **(\$35,000)**

The Budget decreases general revenue by \$35,000 for contracted management consultant services within the Office of Internal Audit (OIA). The FY2021 Budget as Enacted included \$35,000 in general revenue to allow the OIA to conduct an Internal Audit Quality Assurance review, a requirement for OIA to maintain certification from the Institute of Internal Auditors. Funding for this service is not required in FY2022.

Analyst Note: At the point of budget submission, OIA had expected to complete this review in FY2021. However, the Department indicates that the expense will likely complete the quality assurance audit review in FY2022, requiring a reappropriation of the funds into FY2022.

COVID-19 Response (federal funds) **(\$726,930)**

The Budget reduces federal funds by \$726,930, reflecting the return of personnel expenditures to general revenue that were covered by COVID Relief federal funds in FY2021. The FY2021 Budget as Enacted included a shift of personnel expenses from general revenue to federal funds to reflect expenses incurred by the Department of Administration in response to the COVID-19 pandemic and the expenses were

covered by available federal stimulus funds. The Governor’s recommendation assumes that the COVID Relief federal funds will not be available in FY2022, and as a result there is a decrease in federal funds.

SNAP Fraud Framework Implementation Grant **\$224,755**

The Budget adds \$224,755 in federal funds reflecting new audit work by the Office of Internal Audit (OIA). OIA is conducting audit work related to the Supplemental Nutrition Assistance Program (SNAP) and is able to charge personnel and operating expenses to the federal grant. In addition, the Governor adds \$241,060 in federal funds in the FY2021 Supplemental Budget for the same purpose. This is not a traditional audit but instead falls under the OIA’s responsibility for assisting Department of Human Services (DHS) in combating fraud, waste, and abuse.

In early 2020 OIA applied for a federal grant from the USDA to enhance the states implementation of the SNAP Fraud Framework. The State received the grant in September of 2020. The SNAP Fraud Framework is a documentation of the best practices that the United States Department of Agriculture would like to see in place at states for the prevention, identification, and investigation of fraud within the SNAP program. The State’s grant application focused on two of the areas: Framework Training and Data Analytics.

- **Framework Training:** Training classes are being developed for OIA and DHS personnel on the identification and investigation of fraud. The goal of this training is to improve the fraud referrals received from the DHS customer contact workers and to improve the investigative skills of the OIA fraud staff.
- **Data Analytics:** OIA has established a computerized method for the identification of fraud. The second goal of this grant is to enhance the efficiency and effectiveness of this system by including additional data sources and refining the existing fraud lead generating system to improve the quality of the leads.

CAPITAL ASSET MANAGEMENT AND MAINTENANCE

The Division of Capital Asset Management and Maintenance (DCAMM) centralizes capital assets, capital projects, and state facilities maintenance functions. The division was established under the FY2017 Budget as Enacted. The division consists of the following subprograms: Capital Asset Management and Maintenance, Office of Facilities Management and Maintenance, and the Office of Planning, Design and Construction, and has oversight of the following areas:

- Planning, Design and Construction (PDC) manages new construction and rehabilitation projects.
- Facilities Management and Maintenance (OFMM) maintains State facilities.
- Risk Management
- State Fleet Operations administers the purchase, repair, and disposal of state vehicles and operates 15 state fuel depots.

Capital Asset Management and Maintenance	General Revenue
FY2021 Enacted	\$18,137,657
<i>Target and Other Adjustments</i>	<i>(26,500)</i>
COVID-19 Response Miscellaneous Expenses	(15,867,429)
Personnel Adjustments	(321,737)
FY2022 Governor	\$1,921,991
Capital Asset Management and Maintenance	Other Fund Changes
COVID- 19 Miscellaneous Expenses	\$759,112

COVID-19 Response - Miscellaneous Expenses**(\$15.9 million)**

The Budget includes a net decrease of \$15.9 million in general revenues for the Department of Administration reflecting funds not required in FY2022 as part of the Department's response to COVID-19. The FY2021 Budget as Enacted included \$15.9 million in general revenue for the following expenditures:

DCAMM Pandemic Response	FY2021 Enacted	FY2021 Governor	Change	FY2022 Governor	Change
COVID GR: Surge Hospitals	\$11,400,000	\$0	(\$11,400,000)	\$0	(\$11,400,000)
COVID GR: Temporary Housing	2,600,000	-	(2,600,000)	-	(2,600,000)
COVID GR: Government Readiness	1,865,000	2,000,000	135,000	-	(1,865,000)
DCAMM Administrative Costs	2,429	2,429	-	-	(2,429)
Total	\$15,867,429	\$2,002,429	(\$13,865,000)	\$0	(\$15,867,429)

- **Surge Hospital Operations and Deconstruction:** The FY2021 Budget as Enacted included \$11.4 million in general revenue for alternate hospital sites, deconstruction, lease costs and other expenses. General revenue funding for this item is not required in FY2022.
- **Quarantine and Isolation:** The FY2021 Budget as Enacted included \$2.6 million in general revenue for quarantine and isolation related expenses, which includes temporary housing for those who could not isolate in their homes and for individuals and facilities experiencing homelessness. General revenue funding for this item is not required in FY2022.
- **Government Readiness:** The FY2021 Budget as Enacted included \$1.9 million in general revenue for government readiness related to COVID-19 response services, screening and reconfiguration of lobby and cubicle areas in the state. General revenue funding for this item is not required in FY2022.

Personnel Adjustments**(\$321,737)**

The Budget shifts \$488,897 reflecting the general revenue funded salary and benefit costs of the Division Director and the Chief of Strategic Planning over to funding from the DCAMM internal service fund account. The shift will allow the Department to charge some of the personnel costs of these two employees to non-general revenue sources. The reduction is offset by \$167,160 in other salary and benefit adjustments.

CENTRAL MANAGEMENT

Central Management is comprised of three major functions: the Director's Office, the Central Business Office, and the Judicial Nominating Commission.

- The Director's Office provides for the overall operation of the department and assists all Executive branch agencies and to the Office of the Governor.
- The Central Business Office provides financial management assistance to the program areas within the Department of Administration and the Department of Revenue to ensure maximum use of state and federal resources.
- The Judicial Nominating Commission recommends candidates to the Governor to fill vacancies in the Rhode Island Judiciary. The Commission is required by statute to advertise for each judicial vacancy and to actively seek and encourage applications from qualified individuals.

Central Management	General Revenue
FY2021 Enacted	\$2,067,998
<i>Target and Other Adjustments</i>	<i>103,976</i>
Risk Management Unit	292,935
Turnover	69,343
Information Technology Charges	35,427
FY2022 Governor	\$2,569,679

Central Management	Other Fund Changes
COVID-19	(\$75,705,331)

Personnel Adjustments **\$292,935**

The Budget includes a new Risk Management Unit within Central Management resulting in an increase of \$292,935 for general revenue funded personnel costs. According to the Department, the increase reflects the addition of an Associate Director – Financial Management position at a cost of \$179,768 and a Principal Insurance Analyst position at a cost of \$113,167. According to the Budget Office, there is a general revenue offset of \$129,080 reflecting 72.9 percent of \$174,064 in associated salary and benefits costs in the Statewide Facility Services ISF, where this work is currently performed.

Turnover **\$69,343**

The Budget increases general revenue by \$69,343 reflecting lower projected personnel turnover savings as compared to the previous fiscal year.

Information Technology Charges **\$35,427**

The Budget increases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. In FY2020, these expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$81,019 for this expense, which is increased by \$35,427 to \$116,446 in the FY2022 proposed budget.

COVID-19 Response (federal funds) **(\$75.7 million)**

The Budget includes \$126.6 million in federal COVID-19 response funds, reflecting a decrease of \$75.7 million from the FY2021 Budget as Enacted. These funds will primarily be allocated towards emergency rental assistance. The following table illustrates the changes in the federal COVID-19 response funds.

COVID-19 Response	FY2020 Actual	FY2021 Enacted	FY2022 Governor	Change
COVID-19 Stimulus Reserve	\$0	\$0	\$5,281,556	\$5,281,556
FEMA: Government Readiness WKS: Communications	-	-	90,750	90,750
FEMA: Supplies WKS: PPE Warehousing	113,729	-	1,222,363	1,222,363
Relief Fund: COVID-Related Expenses - Central Management	134,011	-	-	-
Relief Fund: Emergency Rental Assistance Program (CAA21)	-	-	120,000,000	120,000,000
Relief Fund: Government Readiness WKS: Communications	136,822	24,200,000	-	(24,200,000)
Relief Fund: Government Readiness WKS: COVID-19 General Financial Management	168,000	-	-	-
Relief Fund: Government Readiness WKS: Line of Credit Expenses	444,479	-	-	-
Relief Fund: HHS Readiness WKS: Hospital Partnership Grants	95,392,696	125,000,000	-	(125,000,000)
Relief Fund: Supplies WKS: PPE Warehousing	37,910	53,100,000	-	(53,100,000)
Total	\$96,427,647	\$202,300,000	\$126,594,669	(\$75,705,331)

DEBT SERVICE

The Debt Service Payments program funds expenditures for both long- and short-term tax-supported debt obligations of the State. This includes debt service on general obligation bonds as well as lease payments securing certificates of participation issued by the State. The program encompasses leases or trust agreements securing revenue bonds issued by the Rhode Island Convention Center Authority, Rhode Island Refunding Bond Authority, Rhode Island Commerce Corporation, or other obligations that are part of the State's net tax-supported debt.

Debt Service Payments	General Revenue
FY2021 Enacted	\$156,032,478
<i>Target and Other Adjustments</i>	-
Other Debt Service Changes	(11,607,649)
General Obligation Bond Changes	5,405,450
Certificates of Participation (COPs)	(4,405,389)
FY2022 Governor	\$145,424,890

Other Debt Service Changes **(\$11.6 million)**

The Budget includes \$46.7 million in general revenue for debt service expenses on five items, reflecting a decrease of \$11.6 million from various adjustments from the FY2021 Budget as Enacted. The significant adjustment is no debt service payment for the 38 Studios Debt Service as the debt is paid in full. All other debt has minor adjustments for FY2022.

Other Debt Service	FY2021 Enacted	FY2022 Governor	Change
38 Studios Debt Service	\$12.1	\$0.0	(\$12.1)
Convention Center Authority	22.9	22.9	-
EDC - Fidelity Job Rent Credits	-	0.4	0.4
Garrahy Courthouse Garage	1.9	1.7	(0.3)
Historic Structures Tax Credit	19.4	19.4	-
I-195 Land Acquisition	2.0	2.4	0.4
Total	\$58.3	\$46.7	(\$11.6)

\$ in millions

Totals may vary due to rounding.

38 Studios Debt Service: The Budget includes no general revenue for the 38 Studios Debt service. On March 6, 2017, the Rhode Island Commerce Corporation lawsuit settled with all of the named defendants resulting in a net collection of \$52.1 million in settlement payments and earned interest. The net collections are used to offset the annual debt service requirements. The State made the final debt service payment of \$11.8 million in FY2021. The total debt service cost to the state, less settlement collections, is projected at \$35.9 million.

Rhode Island Commerce Corporation (formerly RIEDC) Job Creation Guaranty Program

FY	Principal	Interest	Total Debt Service	Source of Debt Payment				Cumulative Paid Debt Service	Outstanding Debt Service
				Capitalized Interest	State Appropriation	Interest Earned	Settlements and Other Sources		
2011	-	\$2,639,958	\$2,639,958	\$2,639,958	-	-	-	\$2,639,958	\$109,488,718
2012	-	5,309,412	5,309,412	5,309,413	-	-	-	7,949,370	104,179,306
2013	-	5,309,412	5,309,412	5,309,412	-	-	-	13,258,782	98,869,894
2014	7,440,000	5,086,212	12,526,212	10,094,706	2,500,000	170,000	-	25,784,994	86,343,682
2015	7,885,000	4,626,462	12,511,462	-	8,635,000	889,163	3,196,770	38,296,456	73,832,220
2016	8,360,000	4,139,113	12,499,113	-	12,499,113	1,958	9,926,027	50,795,569	61,333,107
2017	8,860,000	3,589,288	12,449,288	-	-	-	36,274,385	63,244,857	48,883,819
2018	9,455,000	2,923,881	12,378,881	-	-	374,393	-	75,623,738	36,504,938
2019	10,190,000	2,162,638	12,352,638	-	-	1,059,344	-	87,976,376	24,152,300
2020	10,980,000	1,342,300	12,322,300	-	446,819	124,741	1,081,149	100,298,676	11,830,000
2021	11,830,000	-	11,830,000	-	11,812,718	-	-	112,128,676	-
Total	\$75,000,000	\$37,128,676	\$112,128,676	\$23,353,489	\$35,893,650	2,619,599	\$50,478,331	\$112,128,676	

Source: State Budget Office

Convention Center Authority Debt Service: Pursuant to a lease agreement dated November 1, 1991, between the Rhode Island Convention Center Authority (Authority) and the State, the Authority leased the Convention Center facilities to the State. As part of the agreement terms, the State obligated itself to make lease payments in an amount sufficient to pay the operating expenses and debt service of the Authority, that are not met by revenue generated by the Authority.

The FY2021 Budget as Enacted includes \$22.9 million in general revenue for debt service that is \$1.5 million more than appropriated in FY2020. This include an increase of \$750,000 for higher projected debt service for the Rhode Island Convention Center due to lost revenues from its closure due to the COVID-19 Pandemic. The FY2021 Supplemental Budget does not change the enacted appropriation. Again due to the prolonged closure caused by the pandemic, the Authority is unable to generate revenue from the venues, requiring the State to include \$22.9 million in general revenue in the FY2022 Budget. This reflects a minor decrease of \$4,231 from the previous fiscal year.

EDC – Fidelity Job Rent Credits: The Budget includes \$350,000 for debt service payments relating to the Fidelity Job Credits, reflecting an increase of \$350,000 as compared to the FY2021 Budget as Enacted. Fidelity Investments receives a job credit of \$1,000 per employee for each job over the first 1,000 positions employed at their facility. The job credit calculation occurs on a semi-annual basis, over two credit periods. The first credit period calculates the average number of jobs from March to August. The second credit period covers the average number of jobs from September to February. The FY2021 Budget as Enacted anticipated no Fidelity Job Credit payments. Based on revised average employment reports from Fidelity Investments, the Governor recommends a general revenue appropriation of \$350,000 for FY2022.

Clifford Street Parking (Garrahy) Garage: The Budget includes \$1.7 million in general revenue reflecting debt service for the new Clifford Street (Garrahy) Parking Garage. This is a decrease of \$254,730 from the previous year. The FY2016 Budget as Enacted authorized the State to enter into an agreement with the Rhode Island Convention Center Authority (Authority) to develop, construct, and operate a parking garage. The resolution authorized the issuance of up to \$45.0 million in debt to fund the design and construction of a parking garage and retail space on state-owned land on the site of the existing Garrahy Courthouse surface parking lot. The State’s support of the debt service is offset each year by revenues generated at the garage. In FY2022, the projected debt service is \$3.0 million, less \$102,421 for renewal and replacement funds. This is offset by the projected State lease payments of \$1.4 million paid by state agencies leasing parking space at the garage. This results in an adjusted debt service cost of \$1.6 million, plus \$102,421 for renewal and replacement funds, or \$1.7 million. It is anticipated that future revenues from the garage over the next few years, will fully cover the debt service costs.

I-195 Land Acquisition Debt Service: Total principal issued on the I-195 Land Acquisition is \$38.4 million, and for the first 5-years, the debt service reflected interest-only payments. The principal will be amortized over a 20-year period beginning in year 6, with a balloon payment in year 10. The State has an option at that time to extend the debt an additional 10 years. The capital plan assumes that the State will use the 10-year extension and issue new debt in 2023 in the amount of \$30.1 million.

The debt service in FY2021 is \$4.4 million, projected to be offset by \$2.3 million in land sale proceeds, resulting in a state general revenue appropriation of \$2.0 million. In FY2022, the total debt service is projected to be \$4.4 million and offset by \$2.0 million in land sales resulting in a state general revenue appropriation of \$2.4 million, reflecting an increase of \$351,053 from the previous year. The following table illustrates the projected payments to FY2023.

Fiscal Year	Principal	Interest	Total Debt Service	Estimated Offset	Projected State Appropriation
2021	1.7	2.7	4.4	(2.3)	2.0
2022	1.8	2.6	4.4	(2.0)	2.4
2023	1.9	2.4	4.4	(1.9)	2.4
Total	\$5.4	\$7.7	\$13.1	(\$6.2)	\$6.9

\$ in millions

The following table illustrates the projected payments from FY2024 to FY2033.

Projected Debt Service FY2024 – FY2033

Fiscal Year	Principal	Interest	Total Debt Service	Estimated Offset	Projected State Appropriation
2024	\$2.4	\$1.5	\$3.9	\$0.0	\$3.9
2025	2.5	1.4	3.9	-	3.9
2026	2.6	1.3	3.9	-	3.9
2027	2.8	1.1	3.9	-	3.9
2028	2.9	1.0	3.9	-	3.9
2029	3.1	0.8	3.9	-	3.9
2030	3.2	0.7	3.9	-	3.9
2031	3.4	0.5	3.9	-	3.9
2032	3.5	0.4	3.9	-	3.9
2033	3.7	0.2	3.9	-	3.9
Total	\$30.1	\$8.8	\$38.9	\$0.0	\$38.9

\$ in millions

General Obligation Bond Changes

\$5.4 million

The Budget includes \$76.0 million in general revenue to fund the costs of the State's general obligation debt service in FY2022, or \$5.4 million more than FY2021 Budget as Enacted.

General Obligation Debt	FY2021 Enacted	FY2022 Governor	Change
G.O. Bond New Bond Issue Projected Costs	\$0.0	\$4.4	\$4.4
All Other G.O. Bond Adjustments	70.6	71.6	1.0
Total	\$70.6	\$76.0	\$5.4

\$ in millions

Totals may vary due to rounding.

New General Obligation Bond Debt: The debt service projected for FY2022 increases costs by \$4.4 million in general revenue and is based on the issuance of \$135.9 million in bonds in the spring 2021 and a planned issuance of \$194.2 million the fall of 2021. The projected debt service is based on a 5.0 percent interest rate

over a 20-year term. The Budget includes \$76.0 million in general revenue to fund the costs of the State's general obligation debt service in FY2022, or \$5.4 million more than the FY2021 Budget as Enacted. This is largely attributable to new bond issuances (\$4.4 million) and transportation debt service (\$1.9 million).

Certificates of Participation (COPs)

(\$4.4 million)

The Budget includes \$22.7 million in general revenue to cover the debt service on eight projects financed through certificates of participation (COPs). This reflects a decrease of \$4.4 million from the FY2021 Budget as Enacted.

Certificates of Participation	FY2021 Enacted	FY2022 Governor	Change
BHDDH - Power Plant	\$2.2	\$0.0	(\$2.2)
COPS - DCYF Training School	4.2	4.2	-
COPS - Energy Conservation	5.0	4.1	(0.9)
COPS - Kent County Courthouse	4.6	4.6	-
COPS - Pastore Hospital Consolidation	1.9	1.9	-
COPS - School for the Deaf	2.5	2.5	-
COPS - Technology	5.0	3.7	(1.3)
COPS - Traffic Tribunal - Debt Service	1.7	1.7	-
Total	\$27.1	\$22.7	(\$4.4)

\$ in millions

Totals may vary due to rounding.

OFFICE OF ENERGY RESOURCES

The Office of Energy Resources (OER) and the Energy Efficiency and Resource Management Council (EERMC) were established statutorily in 2006 to replace the former State Energy Office. The OER provides comprehensive integrated development, administration, and oversight of ongoing energy policies, plans, and programs to meet state and federal requirements and to provide policy guidance to executive leadership.

Energy Resources	Other Fund Changes
Regional Greenhouse Gas Initiative	\$2,344,310
Electrify RI - Volkswagen Settlement Fund	(1,180,141)

Regional Greenhouse Gas Initiative (restricted receipts)

\$2.3 million

The Budget includes \$7.4 million in restricted receipts for grant awards as part of the Regional Greenhouse Gas Initiative (RGGI). This reflects an increase of \$2.3 million from the FY2021 Budget as Enacted. The Regional Greenhouse Gas Initiative (RGGI) is a cooperative effort by Northeastern and Mid-Atlantic states that requires member states to reduce carbon dioxide (CO2) emissions from large fossil fuel-fired electric power plants to help address climate change. Central to this initiative is the implementation of a multi-state "cap-and-trade" program with a market-based emissions trading system. The increase in funds were a result of the regional carbon market auctions. The annual RGGI proceeds fluctuate based upon the pricing from the quarterly competitive auctions with regulated energy users within New England and Mid-Atlantic States. OER received more revenues than in past RGGI auction program years.

Electrify RI - Volkswagen Settlement Fund (restricted receipts)

(\$1.2 million)

The Budget includes \$176,148 in restricted receipts to fund the Electrify RI Electric Vehicle (EV) Charging Station Program, reflecting a reduction of \$1.2 million from the previous year. This initiative is supported by the State's Volkswagen Settlement funds and provides financial incentives to install electric vehicle (EV) charging stations at Rhode Island workplaces, multi-unit dwellings, non-profits, and government-owned properties.

The program is administered by the Rhode Island Office of Energy Resources (OER) to make more charging stations accessible to Rhode Island drivers. The increased availability of charging stations will encourage state residents and businesses to make the switch to electric vehicles to reduce transportation-related carbon emissions and pollutants. This program will help fund the installation of new EV charging stations – including Level II and Direct Current Fast Charging (DCFC).

The funds for Electrify RI come from the Volkswagen Diesel Settlement (VW Settlement) Environmental Mitigation Trust and are being invested according to the state’s Beneficiary Mitigation Plan (BMP) to achieve significant and sustained reductions in diesel emissions and expedite the development and widespread adoption of zero-emission vehicles. The FY2021 supplemental budget includes \$1.4 million in restricted receipts for Electrify RI.

Analyst Note: In 2016 the Environmental Protection Agency filed a complaint against Volkswagen alleging that they violated the Clean Air Act. During normal operation and use, Volkswagen vehicles emitted levels of nitrogen oxides (NOx) significantly in excess of EPA’s compliance levels. Volkswagen was found guilty and agreed to spend up to \$14.7 billion to settle allegations of cheating emissions. Settlement funds will be used to buy back and / or modify vehicles, and to support national and state-level projects to reduce NOx emissions.

GENERAL

The General program reflects funds appropriated to finance expenditures not allocated to other State departments or agencies and not specific to any one program within the Department of Administration. Grants and benefits reflect grants made to certain organizations, which are appropriated by the General Assembly. The General program has no FTE positions.

General	General Revenue
FY2021 Enacted	\$102,794,938
<i>Target and Other Adjustments</i>	
RICAP Repayment	(47,500,000)
Library Construction Aid	(600,000)
Tort Awards	500,000
FY2022 Governor	\$55,194,938

RICAP Repayment (\$47.5 million)

The Budget includes \$42.5 million in general revenue payback in FY2022 to partially reimburse the State’s Budget Stabilization and Cash Reserve Account (Rainy Day Fund). This reflects a reduction of \$47.5 million from the FY2021 Budget as Enacted.

The FY2020 Budget as Enacted transferred \$120.0 million from the Budget Stabilization and Cash Reserve Account for use in balancing that budget. The Rhode Island General Law requires that the repayment be made to the Rhode Island Capital Plan fund in the following fiscal year. The FY2021 Budget as Enacted included a \$90.0 million repayment and legislation under Section 18 of Article 1 to delay the full payback, \$30.0 million, until FY2022.

However, Article 1 of the Governor’s FY2021 Supplemental Budget proposes to further delay the RICAP payback to FY2023 and reduces the payback appropriation to \$7.5 million in FY2021. This reflects a reduction of \$82.5 million in general revenue in FY2021. The remaining payment of \$70.0 million will be made during FY2023.

Library Construction Aid

(\$600,000)

Rhode Island law grants authority to the Office of Library and Information Services to make grants to a municipality or a free public library for construction or capital improvements. Grants are limited to a maximum of 50.0 percent of the total eligible costs as determined by the Office of Library and Information Services and are paid on an installment basis, based on a community’s debt service requirement, for a period of up to 20 years. For FY2022, the Budget includes \$2.1 million, a decrease of \$600,000 from the FY2021 Budget as Enacted. According to the Department, the decrease in funding is a result of the completion of several library construction projects over the past year and because the short term interest rate on an ongoing project is lower than originally projected.

Tort Awards

\$500,000

The Budget adds \$500,000 in general revenue for court awards. Funding in the tort account is used to pay for tort/court award judgments against the State of Rhode Island. The Governor recommends an appropriation of \$900,000 in general revenue for tort judgments. As part of the FY2021 Supplemental Budget, the Governor recommends an appropriation of \$600,000, reflecting an increase of \$200,000, to meet year to date expenses.

HUMAN RESOURCES

The Division of Human Resources is composed of eight subprograms: Administrative Services, Classification and Examinations, Equal Employment Opportunity, Outreach and Diversity, Employee Benefits, Training and Development, Employee Services, and Human Resource Service Centers. Its primary mission is to provide cost-effective human resource services to employees, labor, and management to assist them in carrying out the functions and responsibilities of state government.

Human Resources	General Revenue
FY2021 Enacted	\$389,142
<i>Target and Other Adjustments</i>	<i>(601)</i>
Centralized Service Charges	711,008
FY2022 Governor	\$1,099,549

Centralized Service Charges

\$711,008

The Budget includes \$1.1 million in general revenue expenditures for Human Resource Service Center projected costs in FY2021. This is an increase of \$711,008 from the FY2021 Budget as Enacted amount of \$388,541. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. These expenditures were reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The Budget increases these costs for FY2022. The FY2021 Budget as Enacted appropriated \$388,541 for centralized human resource center expenses, which is increased by \$711,008 to \$1.1 million in the FY2022 budget.

INFORMATION TECHNOLOGY

The Division of Information Technology (DoIT) program oversees, coordinates, and develops all information technology (IT) resources within the executive branch. All hiring and spending decisions involving IT may only be made with the advice and approval of the Chief Information Officer. Information Technology defines and maintains the architectural standards for hardware, software, networks, and services that guide state investments in IT.

The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. These expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency.

Information Technology	General Revenue
FY2021 Enacted	\$1,297,418
<i>Target and Other Adjustments</i>	
Information Technology Charges	(576,078)
FY2022 Governor	\$721,340

Information Technology	Other Fund Changes
Information Technology Investment Fund	(\$6,924,465)

Information Technology Charges **(\$576,078)**

The Budget decreases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. In FY2019 these expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$1.3 million for this expense, which is decreased by \$576,078 to \$721,340 in the FY2022 proposed budget.

Information Technology Investment Fund (restricted receipts) **(\$6.9 million)**

The Budget includes \$2.6 million in restricted receipts for the Information Technology Investment Fund (ITIF), reflecting a decrease of \$6.9 million in restricted receipts from the FY2021 Budget as Enacted, and a decrease of \$9.8 million from the Governor's FY2021 Supplemental Budget. The Fund is a restricted receipt account for the State's technology initiatives and improvement projects.

The FY2015 Budget as Enacted authorized the Tobacco Settlement Financing Trust to transfer an estimated \$10.0 million to the ITIF from proceeds of the recent issuance of bonds by the Tobacco Settlement Financing Corporation. The ITIF derives funding through the sale of state property as well as from three additional sources.

- In FY2015, 10.0 percent of the \$1.00 surcharge levied on each residence and business telephone line collected to support the E-911 Uniform Emergency Telephone System is deposited into the ITIF, but this was repealed under Article 2 of the FY2020 Budget as Enacted and replaced with a new revenue source derived from 10.0 percent of a \$0.50 fee imposed on land-lines and 10.0 percent of the \$0.75 fee imposed on wireless phone lines. The surcharge change is projected to provide the technology investment fund annually \$1.0 million.
- Article 7 of the FY2019 Budget as Enacted authorized a tiered set of fees for individuals to obtain copies of certain vital records. The fees established are \$5 for mail-in certified records, \$3 for duplicate certified records, and \$2 for walk-in requests for certified records requests. The revenue generated from these fees will be deposited into the Information Technology Infrastructure Fund for purposes of supporting the Electronic Statewide Registration System (ESRS) at the Department of Health. The proposal projects to generate \$350,351 annually.
- Article 4 of the FY2018 Budget as Enacted established a \$1.50 surcharge on every DMV fee transaction. This surcharge revenue is deposited into the State's Information Technology Infrastructure Fund (ITIF). Funds generated through the surcharge are specifically used to pay the original and

ongoing costs associated with the DMV’s information technology system, known as the Rhode Island Modernization System, or RIMS. Collection of the surcharge was previously authorized through June 30, 2022.

- Article 7 of the FY2020 Budget as Enacted made several changes related to the technology surcharge. The surcharge is increased by \$1.00, for a total of \$2.50 per DMV fee transaction. Revenue from the increase is to be deposited in a new restricted receipt within the DMV to pay for IT project-related payments and/or ongoing maintenance of and enhancements to the DMV’s computer system. The remaining \$1.50 is deposited into the ITIF. The article removes the existing sunset and shifts the remaining \$1.50 from the ITIF to the DMV account beginning on July 1, 2022. Based on DOR projections, \$4.2 million in surcharge revenue, inclusive of the fee increase, will be generated in FY2020. The ITIF will receive \$2.5 million of this revenue and \$1.7 million will be deposited into the DMV restricted receipt account.

Each year the Department establishes a list of proposed and approved projects. For FY2021, this list consists of \$14.2 million for 60 approved projects. All projects listed by the Department are subject to the availability of funds in the ITIF. The ITIF available cash balance is \$2.1 million excluding obligations, approved projects, and approximately \$14.4 million in projected revenues. The projected revenue includes \$8.9 million in property sales. Including the proposed project costs, the Fund would have a balance of \$232,216 at the end of FY2021. However, if the proposed property sales do not materialize, the ending balance would be in deficit by \$8.6 million.

For FY2022, the Department’s list of proposed and approved projects totals \$2.8 million. The ITIF available cash balance is \$2.0 million and approximately \$4.8 million in projected revenues. Total available resources will be \$6.8 million. Including the proposed project costs, the Fund would have a balance of \$4.0 million at the end of FY2022.

Projects	Approved	Available	FY2022
Project Management - DoIT Staff	\$300,000	\$300,000	\$300,000
Integrated Budget Development System	1,704,266	199,990	100,000
DLT Imaging System	850,000	285,738	200,000
Grants Mgmt Solution	1,029,985	271,985	160,000
DoIT Strategic Plan	750,000	655,000	300,000
E-Poll Books	438,592	438,592	438,592
Reporting Enhancements	700,000	194,081	150,000
ESH LTC System Business Applications Replacement Project	150,000	150,000	150,000
Electronic Vital Records Registration System	522,000	522,000	522,000
License Plate Re-Issuance Programming	343,000	343,000	343,000
Content Management FY 2021	615,023	615,023	135,000
Total	\$7,402,866	\$3,975,409	\$2,798,592

Between FY2023 and FY2025, there are \$1.5 million in project requests. The projected revenue over the same period totals \$4.9 million. The Department provides this information as a method to demonstrate the entirety of the Department’s IT project requests.

The following table illustrates the proposed and approved ITIF projects, funding balance and requested project costs:

Information Technology Fund	FY2021	FY2022	FY2023	FY2024	FY2025
Total Approved Projects	(\$14,172,862)	\$0	\$0	\$0	\$0
Projected FY Beginning Balance	2,137,380	1,992,216	4,040,624	6,081,624	7,071,624
Estimated Sale of Property	8,877,698	1,457,000	1,051,000	-	-
E-911 Fees	930,000	930,000	930,000	930,000	930,000
DMV \$1.50 Surcharge	2,100,000	2,100,000	-	-	-
Vital Records Surcharge	360,000	360,000	360,000	360,000	360,000
Projected FY Ending Balance	\$232,216	\$6,839,216	\$6,381,624	\$7,371,624	\$8,361,624
Variance Capital Request to Approved Projects	\$3,429,353	\$1,086,600	(\$210,000)	(\$210,000)	(\$210,000)
Capital Budget Requests	\$8,983,509	\$1,711,992	\$510,000	\$510,000	\$510,000
Projected Cash Availability	14,405,078	6,839,216	6,381,624	7,371,624	8,361,624

Source: Department of Administration

LEGAL SERVICES

Legal Services is responsible for establishing, managing and maintaining legal resources to support all departments and agencies within the executive branch. Legal Services manages and assists attorneys within the departments and agencies that provide legal services in programmatic areas.

Legal Services	General Revenue
FY2021 Enacted	\$2,278,549
<i>Target and Other Adjustments</i>	<i>73,231</i>
Personnel Adjustments	210,369
COVID-19 Legal Expenses	(300,000)
FY2022 Governor	\$2,262,149

Legal Services	Other Fund Changes
Case Management Software System Costs	(\$958,068)

Personnel Adjustments **\$210,369**

The Budget includes a net general revenue increase of \$210,369 for salary and benefit costs, comprising the addition of \$347,873 for the filling of several vacancies left unfilled in FY2021 that the Department anticipates filling in FY2022. This increase is offset by a general revenue decrease of \$137,504 for turnover savings. According to the Budget Office, the turnover is attributable to the Department's staffing assumptions in FY2022. The Department of Administration averaged 17.8 vacancies over FY2020. Total turnover is equivalent to 1.8 FTE positions.

COVID-19 Legal Expenses **(\$300,000)**

The FY2021 Budget as Enacted included \$300,000 in general revenue for miscellaneous outside legal costs as part of the State's COVID-19 Response. The Governor does not include further funding for these items in FY2022.

LIBRARY AND INFORMATION SERVICES

The Office of Library and Information Services (OLIS) coordinates inter-library cooperation, maintains and develops the Rhode Island Library Network, operates the Regional Library for the Blind and Physically Handicapped, and promotes overall library development through various grant-in-aid programs for public and institutional libraries.

Library and Information Services	General Revenue
FY2021 Enacted	\$1,605,551
<hr/>	
<i>Target and Other Adjustments</i>	<i>(47,678)</i>
Turnover	86,928
Information Technology Charges	(12,786)
Interlibrary Delivery System	8,543
FY2022 Governor	\$1,640,558

Library and Information Services	Other Fund Changes
Library Services Technology	\$197,669

Turnover **\$86,928**

The Budget increases general revenue by \$86,928 reflecting lower projected personnel turnover savings as compared to the previous fiscal year. Also there is a corresponding increase of \$86,928 in federal funds for lower projected turnover savings.

Information Technology Charges **(\$12,786)**

The Budget decreases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. These expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$40,267 for centralized information technology expenses, which is decreased by \$12,786 to \$27,481 in the FY2022 budget.

Interlibrary Delivery System **\$8,543**

The Budget includes a net increase of \$8,543 in general revenue for the Interlibrary Delivery System as compared to the previous year. RIGL 29-6-9 requires that the Office of Library and Information Services fund the Interlibrary Delivery System in its entirety. However, the Budget mistakenly shifted \$220,000 from the express delivery line for the LORI delivery system to US Postal Office. According to OLIS all books and magazines use the LORI delivery system. The postage line is used by OLIS to only mail documents. Also there is a corresponding increase of \$65,143 in federal funds.

Interlibrary Delivery System/Postage	FY2021 Enacted	FY2021 Governor	Change	FY2022 Governor	Change
Express Delivery	\$621,810	\$621,810	\$0	\$410,353	(\$211,457)
Postage and Postal Services	1,961	1,961	-	221,961	220,000
Total	\$623,771	\$623,771	\$0	\$632,314	\$8,543

Analyst note: The Budget placed \$220,000 in general revenue in the wrong budget line. The amount should be under the express delivery line instead of the postage and postal service line.

Library Services Technology (federal funds) **\$197,669**

The Budget adds \$197,669 in federal funds to support innovation and other projects in public libraries. This includes an increase of \$125,000 for pass-through Museums for America project grants, an increase of

\$86,928 in unachieved turnover savings, and an increase of \$65,143 for express delivery costs for the Interlibrary Delivery System. According to the Department the increase in OLIS' federal award through the Library Services and Technology Act (LSTA) will be used for a competitive grant program for libraries based on the priorities of OLIS' Five Year State Plan for the use of federal LSTA funds; the plan is required and approved by the federal agency charged with disbursing these funds, the Institute of Museum and Library Services, which encourages sub-awards.

PERSONNEL APPEAL BOARD

The Personnel Appeal Board hears appeals by any person with provisional, probationary, or permanent status in a position in the classified service aggrieved by an action of the Administrator of Adjudication for the Department of Administration on matters of personnel administration. The Board administers the Merit System Law governing appeals, maintenance of records, reviews, appeals from decisions rendered, and records of cases adjudicated before scheduling a public hearing. The Personnel Appeal Board consists of five members, not more than three of whom are members of the same political party. The Board has no FTE positions specifically assigned to the program.

Personnel Appeal Board	General Revenue
FY2021 Enacted	\$125,298
<i>Target and Other Adjustments</i>	<i>(5,248)</i>
FY2022 Governor	\$120,050

PERSONNEL AND OPERATIONAL REFORMS

The Department of Administration has a centralized account for the statewide personnel and operating savings included in the Budget as Enacted prior to the savings being reflected within the appropriate State agency budgets. Generally, when the savings occur, the Budget Office will distribute and account for the savings within the appropriate departmental budget accounts of the State agencies.

Personnel and Operational Reforms	General Revenue
FY2021 Enacted	\$0
<i>Target and Other Adjustments</i>	<i>200</i>
VRI Savings	(8,158,221)
Centralized Service Charges	7,105,374
LIUNA Settlement	4,297,916
FY2022 Governor	\$3,245,269

VRI Savings **(\$8.2 million)**

The Governor initiated a voluntary retirement incentive (VRI) payment to active state employees as of January 4, 2021, who have a full benefit retirement date on or before December 31, 2020. The program does not include members of the State Police or Correctional Officers who are under separate retirement plans. The VRI is intended to achieve strategic and budgetary objectives by refilling 70.0 percent of the resulting vacancies at 80.0 percent of the previous employee's cost for the first year, while allowing the State to recognize the long-term service of its employees and provide them with the flexibility to retire.

The Governor identified 900 executive branch, higher education, constitutional office, judicial, and legislative employees who matched the eligibility requirement. Eligible employees who elect to retire within the designated enrollment periods will receive a one-time payment equal to two times the employee's current annualized longevity amount up to a maximum amount of \$40,000 that will be paid through the assessed fringe benefits fund which is a bi-weekly assessment of 3.95 percent charged to direct salaries.

The program is being offered in stages based on the individual employee's longevity entitlement level. The last group of employees must submit a written notice of their election to retire on or before May 15, 2021.

The Budget Office estimates VRI net savings of \$19.0 million (\$8.2 million general revenue) covering FY2021 and FY2022, based on the assumption that 33.0 percent or 301 employees would take the VRI. The net savings is the result after the cost of refilling the position and payment of the incentive buyout (\$2.2 million in general revenue). The savings estimate holds the institutions of higher education harmless from any VRI-related general revenue savings in FY2022.

As of April 15, 2021, 282 employees, approximately 31.3 percent of the 900 eligible employees, or 93.7 percent of the Budget Office goal, have elected to take the Voluntary Retirement Incentive (VRI) buyout, including non-executive branch employees.

Centralized Service Charges

\$7.1 million

The Budget adds \$7.1 million in general revenues reflecting adjustments made to the internal service fund (ISF) accounts for Information Technology and statewide Facilities Management services due to the methodology used to calculate these services in state agencies. The FY2022 budget developed by a rate setting vendor for agencies was based on actual current services from FY2020 rather than FY2021, because the FY2021 Budget was not yet enacted during the agency budget request period. As a result the amounts budget in various agencies differed significantly from actual ISF billings. The addition of \$7.1 million reflects the variance from what was actually budgeted by agencies and what are the projected Information Technology and statewide Facilities Management costs. These funds will be redistributed throughout state agencies as part of the FY2022 Supplemental Budget process, or will be used as savings if the final costs are actually lower than the projected rates.

LIUNA Settlement

\$4.3 million

The Budget includes \$4.3 million in general revenue to fund the pension liability with state employee members in the Laborers International Union of North America (LIUNA) to account for the recalculation and compensation to affected LIUNA members for longevity and overtime payments back to January 1, 2012.

According to the Budget Office, for the past 21 years, in lieu of a portion of the pay LIUNA members received over the years, the State agreed to make payments to a LIUNA pension fund (LPF). The amount of the payments the State makes is a dollar amount per hour/up to a maximum of thirty-five (35) hours per week. In order to effectuate these employer contributions to the LPF, the State over the years annualized the dollar amount per hour and pay scales for participating LIUNA members were reduced by the annualized amount. The State proposed to change the payroll methodology prospectively to correct effects of the contributions on longevity and overtime calculations.

LIUNA has employees throughout a number of State Agencies, including Department of Business Regulation, employees in the Office of the Fire Marshal; Department of Public Safety, E911 operators; Department of Transportation, Maintenance, Supervisors and Operators; Division of Motor Vehicles, supervisors; BHDDH, CNAs at the Zambarano Hospital; Rhode Island Emergency Management Agency; Judiciary, Clerks at the Superior Court; Office of the Public Defender, office personnel; and at the Office of the Secretary of State.

PLANNING

The Division of Planning is responsible for preparing, adopting, and amending strategic plans for the physical, economic, and social development of the state. The Division is comprised of three subprograms: Statewide Planning, Strategic Planning and Economic Development, and the Water Resources Board.

- Statewide Planning staffs the State Planning Council, which is comprised of state and local government officials, public members, and federal officials in an advisory capacity. The State Planning Council serves as the State’s Metropolitan Planning Organization, responsible for planning and prioritizing state and federal transportation funding.
- Strategic Planning and Economic Development uses policy analysis and the planning process to prepare issue briefs and draft strategic plans that address current topics of special interest.
- The Water Resources Board (WRB) manages the planning and development of twenty-nine major water supply systems and the Big River Management Area.

Planning	General Revenue
FY2021 Enacted	\$1,114,044
<i>Target and Other Adjustments</i>	<i>(4,510)</i>
Complete Count (Census 2020)	(190,606)
Personnel Adjustments	(187,769)
Information Technology Charges	(59,830)
FY2022 Governor	\$671,329

Planning	Other Fund Changes
Payment of Sub-awards	(\$820,000)
Management Consultants	(180,000)

Complete Count (Census 2020) ***(\$190,606)***

The Budget includes a decrease of \$190,606 from the FY2021 Budget as Enacted reflecting the end of funding for the Complete Count Initiative following the conclusion of the 2020 Census. The 2020 Census was critical to the state because the state is in jeopardy of losing a congressional seat due to diminished statewide population count. The FY2020 Budget as Enacted included \$500,000 in general revenue to pay for outreach activities to hard-to-count populations; media buys; distribute information to communities, non-profits, and other partners; and, a coordinated campaign to ensure awareness and visibility. The FY2021 Budget as Enacted included \$190,606 in general revenue largely consisting of a reappropriation of \$140,606 from FY2020 to fund advertising and printing costs of the Complete Count Initiative. This was matched with \$50,000 in new funds in FY2021, bringing the total appropriation to \$190,606.

Personnel Adjustments ***(\$187,769)***

The Budget decreases \$187,769 in general revenue, reflecting a loss of 2.0 FTE positions to retirements, maintaining vacancies on 3.0 FTE positions, and a shift of personnel expenses from general revenue to federal funds.

Information Technology Charges ***(\$59,830)***

The Budget decreases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. In FY2019 these expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$77,120 for this expense, which is decreased by \$59,830 to \$17,914 in the FY2022 proposed budget.

Payment of Sub-awards (other funds) ***(\$820,000)***

The Budget contains a net decrease of \$820,000 in other funds. Funds from the Federal Highway Administration (FHWA) is the core of the Planning program. In some years, the State is able to draw down

more than in other fiscal years: this is largely dependent (to a cap) on the amount of state funds available. When general revenue funds decrease, the State cannot draw down as much from the federal pool. However, it is also variable annually depending on projects: with the Long Range Transportation Plan completed, the State will be drawing down less from the federal pool overall.

Management Consultants (other funds) (\$180,000)

The Budget decreases \$180,000 in other funds reflecting the elimination of contracted management consultant costs of \$150,000 from the Federal Highway Administration (FHWA) and \$30,000 from the Federal Transit Administration (FTA) programs related to the Complete Count Initiative (Census 2020 funding). The Complete Count Committee finished its work in December 2020.

PURCHASING

The Purchasing division includes procurement, operational support services, standards and specifications development and management, vendor information, and minority business enterprises. The Procurement division solicits bids or requests for proposals for services and supplies, negotiates prices with vendors, and carries out affirmative action programs. Operational support services include purchase order production and record-keeping, bid preparation and opening, requisition tracking, and vendor files. The standards and specifications staff works with agency representatives to develop statewide standards for goods and services to be solicited. The Rhode Island Vendor Information Program (RIVIP) is an electronic system for registering potential bidders and providing bid and other information to vendors and the general public.

Purchasing	General Revenue
FY2021 Enacted	\$3,591,871
<i>Target and Other Adjustments</i>	<i>(30,644)</i>
Information Technology Charges	(151,521)
Turnover	(59,313)
FY2022 Governor	\$3,350,393

Purchasing	Other Fund Changes
Information Technology Charges	(\$100,000)

Information Technology Charges (\$151,521)

The Budget increases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. In FY2019 these expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$476,980 for this expense, which is decreased by \$151,521 to \$325,459 in the FY2022 proposed budget. There is a corresponding decreases of \$100,000 in restricted receipts and \$2,398 in other funds.

Turnover (\$59,313)

The Budget decreases general revenue by \$59,313 reflecting higher projected personnel turnover savings as compared to the previous fiscal year.

RHODE ISLAND HEALTH BENEFITS EXCHANGE

As part of the national health care reform and the Affordable Care Act (ACA), the Rhode Island Health Benefits Exchange was created by Executive Order in 2011 as a federally-funded program within the Office of the Governor. The FY2014 Budget as Enacted transferred the program to the Department of

Administration. Rhode Island’s health benefits exchange (HealthSource RI) became operational in October 2013 and is an online marketplace for individuals, families, and small businesses to compare and purchase health insurance coverage and gain access to tax credits, reduced cost-sharing and public programs such as Medicaid.

Rhode Island Health Benefits Exchange (HealthSource RI)	General Revenue
FY2021 Enacted	\$1,369,654
<i>Target and Other Adjustments</i>	<i>(2,000)</i>
Contract Services	1,546,926
Rental of Outside Property	(94,244)
FY2022 Governor	\$2,820,336

Rhode Island Health Benefits Exchange (HealthSource RI)	Other Fund Changes
Rhode Island Health Benefits Exchange - restricted receipts	(\$3,332,655)
Rhode Island Health Benefits Exchange - federal	\$5,239,671

Contract Services **\$1.5 million**

The Budget increases by \$1.5 million in general revenue for contract service expenditures as compared to the FY2021 Budget as Enacted. According to Healthsource RI, the program relies on general revenue and restricted receipts to fund its operations and is allowed to use either funding source to budget and incur expenses. The FY2021 Budget as Enacted used restricted receipts to fund several contracted expenses. As part of the FY2022 Budget, Healthsource RI uses restricted receipts to predominately fund personnel, operating, and other costs, while shifting some of the contracted costs to general revenue.

	FY2021	FY2022	
Contract Services	Enacted	Governor	Change
Management Consultants	\$20,715	\$2,231,016	\$2,210,301
Communications and Media	500,000	-	(500,000)
IT System Support	526,160	364,110	(162,050)
All Other Services	226,535	225,210	(1,325)
Total	\$1,273,410	\$2,820,336	\$1,546,926

- **Management Services:** HSRI uses both general revenue and restricted receipts interchangeably to fund HSRI and in any given year, the source used to fund expense will vary from general revenue and restricted receipts. In FY2022, the general revenue increase reflects HSRI budgeting the expenses for the vendor NFP-Health under general revenue rather than restricted receipts as was done in FY2021. NFP-Health is responsible for sales, service and billing of HSRI’s HSRI for Employers/SHOP small business program.
- **Communications and Media:** RDW Group is the primary vendor for marketing and communication contract services. The vendor operates the HSRI Individual/Family and Small Business Health Options Program (SHOP) open enrollment campaigns and advertisements. The HSRI program still requires the same type of communication services in FY2022. However, in order to reduce the program’s FY2022 general revenue request, the Department made reductions to the program budget, marketing being one of them.

Analyst Note: According to HSRI, there are some funds remaining in FY2021 for marketing expenses that could carry-over into FY2022 marketing, but the program will need to look for funds in FY2022.

- **IT System Support:** This reflects a \$162,050 general revenue targeted contract reduction for Deloitte that was proposed in the FY2022 Budget request. Deloitte developed and maintains the Integrated

Eligibility System for the State. Also known as RIBridges or UHIP, eligibility is determined for HSRI health plans, Medicaid, SNAP, Childcare, and RIWorks. Deloitte implements any federal changes to regulations and any system process improvements. It is decreasing because the UHIP Executive Leadership reduced funding in order to meet the requested budget cuts.

Rental of Outside Property **(\$94,244)**

The Budget eliminates \$94,244 in general revenue. Presently, the Healthsource RI office is in leased space located at 501 Wampanoag Trail in the City of East Providence. The plan is to relocate Healthsource RI to vacant space within the William Powers Administration building making the need to fund lease costs moot in FY2022. The move is anticipated to occur by the end of 2021. The lease for the Healthsource RI office is divided 65.0 percent general revenue and 35.0 percent restricted receipts. There is a corresponding decrease of \$50,756 in restricted receipt for the lease costs.

Rhode Island Health Benefits Exchange (restricted receipts) **(\$3.3 million)**

The Budget includes \$16.8 million in restricted receipts for personnel and operating costs. This is a net decrease of \$3.3 million from the FY2021 Budget as Enacted. The significant changes include a reduction of \$2.4 million in management consultant costs and an increase of \$687,159 for personnel costs. The increase in personnel costs reflect the combination of HSRI unfilled positions and personnel costs for the Division of Taxation to manage the mandate program.

Rhode Island Health Benefits Exchange (federal) **\$5.2 million**

The Budget includes \$5.2 million in federal funds for the Rhode Island Health Benefits Exchange for FY2022. The use of federal funds for the Exchange declined after FY2015. From FY2016 through FY2019, federal funds were primarily used for contract services and personnel. This reflected the shift from federal funding that was provided for the establishment of an Affordable Care Act (ACA)-compliant health benefits exchange, over to a state-operated system. The federal funds provided in FY2019 fund only personnel costs for one FTE position. Through the FY2019 Budget as Enacted, the design, development, and implementation of HealthSource RI has been funded with \$140.9 million in federal grants. In FY2022, federal funds increase \$5.2 million reflecting a recent federal award. The State’s application to the federal government sought to waive Patient Protection Affordable Care Act’s (PPACA) requirement for the single risk pool to implement a state reinsurance program called the Rhode Island Reinsurance Program for plan years 2020 through 2024. The United States Department of the Treasury’s final administrative determination is that Rhode Island’s pass-through funding amount is \$5.2 million for calendar year 2020.

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
HealthSource RI	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Governor	Governor	Total
Federal Funds	\$21.8	\$47.3	\$48.5	\$17.6	\$3.7	\$1.8	\$0.1	-	0.4	5.2	\$146.5
Restricted Receipts	-	-	-	2.8	5.5	5.3	5.2	8.0	20.2	16.8	63.7
Total	\$21.8	\$47.3	\$48.5	\$20.4	\$9.2	\$7.1	\$5.3	\$8.0	\$20.5	\$22.1	\$210.2

\$ in millions

OFFICE OF DIVERSITY, EQUITY, AND OPPORTUNITY

The mission of the Office of Diversity, Equity, and Opportunity is to create and support a diverse and inclusive state government culture that values and reflects the changing demographics of Rhode Island by advancing equitable and fair opportunities for all Rhode Island citizens to be employed by or doing business with the State of Rhode Island.

The Office of Diversity, Equity, and Opportunity, consists of the following: Director of Diversity, the State Equal Opportunity Office, Minority Business Enterprise Compliance Office, the Outreach and Diversity Office, and an Office of Supplier Diversity.

- Director of Diversity to administer the office.
- The State Equal Opportunity Office ensures federal and State equal opportunity compliance for all units of state government.
- The Minority Business Enterprise Compliance Office is responsible for supporting State laws and policies to ensure full participation of Minority Business Enterprises (MBEs) and Disadvantaged Business Enterprises (DBEs) in state and federally-funded construction programs and projects, and State purchases of goods and services.
- The Outreach and Diversity Office is responsible for creating a culture that values a diverse workforce through diversity training to state employees and assists in recruiting and retaining a diverse workforce.
- Office of Supplier Diversity will complement the work of the Minority Business Enterprise Compliance Office.

The Office of Diversity, Equity, and Opportunity	General Revenue
FY2021 Enacted	\$1,335,476
<i>Target and Other Adjustments</i>	<i>(65,340)</i>
Information Technology Charges	(67,437)
Operating Adjustments	(51,794)
Turnover	(33,736)
FY2022 Governor	\$1,117,169

Information Technology Charges **(\$67,437)**

The Budget decreases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. These expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2021 Budget as Enacted appropriated \$89,032 for this expense, which is decreased by \$67,437 to \$21,595 in the FY2022 proposed budget.

Operating Adjustments **(\$51,794)**

The Budget decreases general revenue expenditures by \$51,794, reflecting a decrease in anticipated printing expenses and staff training. The Budget includes \$20,088 to cover printing expenses, reflecting a decrease of \$29,794 from the FY2021 Budget as Enacted and no appropriation for staff training, reflecting a decrease of \$22,000 from the previous year.

Turnover **(\$33,736)**

The Budget decreases general revenue by \$33,736 reflecting higher projected personnel turnover savings as compared to the previous fiscal year.

CAPITAL PROJECTS

The Budget includes \$29.9 million in RICAP funds for 35 various capital projects in FY2022. This reflects an increase of \$10.3 million from the previous fiscal year and an increase of \$10.5 million from the Governor's recommended FY2021 Supplemental Budget. Significant project changes include:

- **New or Increased Capital Projects:** Includes \$6.2 million to fund new projects or increase renovations to exiting projects including: \$4.5 million for the new Medical Examiner Building, \$1.5 million for the Shepard Building, and \$150,000 for asset protect at the state office building located at 560 Jefferson Boulevard in the City of Warwick.

New or Increased Capital Projects	FY2021	FY2021	Change	FY2022	Change
	Enacted	Governor		Governor	
RICAP - Medical Examiner Building	\$500,000	\$500,000	\$0	\$4,500,000	\$4,000,000
RICAP -Shepard Building Upgrades	500,000	500,000	-	1,500,000	1,000,000
RICAP - 560 Jefferson Blvd Asset Protection	-	-	-	150,000	150,000
Total	\$1,000,000	\$1,000,000	\$0	\$6,150,000	\$5,150,000

- Medical Examiner Building:** The Budget includes \$4.5 million in RICAP funds, reflecting an increase of \$4.0 million from the previous fiscal year, for the Phase II build-out of the new Medical Examiner’s Building located at 900 Highland Corporate Drive, Cumberland (Building # 3). The Department of Health’s Office of the Medical Examiner will relocate to this new building from its present location at the Chapin Health Laboratory on Orms Street in the City of Providence. The State Properties Committee approved the Purchase and Sale Contract related to the purchase of this property on September 1, 2021. The purchase price was \$2,525,000 and the funding source is federal funding. Total cost to renovate the structure is \$5.4 million using federal funds and RICAP funds.

Medical Examiner Building - Construction	Cost
COVID-19 Pandemic Immediate Use	\$316,756
COVID-19 Pandemic Equipment Immediate Use	125,000
Phase II Design Fees	500,000
Phase II Renovation Cost	4,500,000
Total	\$5,441,756

- Shepard Building Upgrades:** The Budget includes \$1.5 million in RICAP funds, an increase of \$1.0 million from the previous fiscal year, for safety issues related to the building’s elevators, roof, and building envelope. The FY2022 Capital Budget recommends RICAP renovation expenditures of \$500,000 in FY2021, \$6.0 million from FY2022 through FY2026, and \$1.6 million in FY2026, for a total expenditure of \$8.1 million over six years.

The Commission on Government Efficiency final report on May 7, 2019, advised that State sell the structure and relocate State agencies and the University of Rhode Island campus to other state or privately owned structures as a means to obtain cash and to eliminate future maintenance issues. However, the State no longer plans to sell the building. The findings from the Efficiency Commission assumed certain commercial real estate sales prices and certain person/square feet office space ratios that no longer bear out in the post-pandemic landscape. One of advantages of selling the building would have been to avoid some of the deferred maintenance issues, but continued ownership requires the State to address these issues in the capital improvement program.

- Pastore Center Campus Projects:** The Budget includes \$5.3 million to fund various major maintenance and repairs to 35 structures at the Pastore Government Center. This is an increase of \$1.3 million from the previous year.

Pastore Center Campus Projects	FY2021	FY2021	Change	FY2022	Change
	Enacted	Governor		Governor	
RICAP - Pastore Center Building Demolition	\$0	\$0	\$0	\$1,000,000	\$1,000,000
RICAP - Pastore Center Electric Utility Upgrade	436,760	436,760	-	175,000	(261,760)
RICAP - Pastore Center Master Plan	165,138	165,138	-	116,467	(48,671)
RICAP - Pastore Center Non-Medical Buildings Asset	2,314,240	2,314,240	-	3,170,000	855,760
RICAP - Pastore Center Power Plant	932,503	932,503	-	734,000	(198,503)
RICAP - Pastore Center Water Utility System	100,000	107,681	7,681	100,000	-
Total	\$3,948,641	\$3,956,322	\$7,681	\$5,295,467	\$1,346,826

- Pastore Center Demolition:** The Budget adds \$1.0 million in RICAP funds for use on vacant structures on the Pastore Center Campus that are scheduled for abatement and demolition. These structures include: the Eastman House, Pinel building, Adolphe Meyer building, Welcome Arnold building, the Pastore laundry structure, and selective demolition on parts of the old power plant. The continued demolition of the vacant unusable structures provides space for future development at the state-owned facility.
- Capitol Hill Campus Projects:** Includes \$4.8 million, a decrease of \$163,098 from the previous year, to fund various infrastructure upgrades to structures listed as the Capitol Hill Campus, including the Cannon Building, Old State House, Chapin Health Lab, State Office Building (DOT), and the William Powers Building.

Capital Hill Campus Projects	FY2021	FY2021	Change	FY2022	Change
	Enacted	Governor		Governor	
RICAP - Cannon Building	\$500,000	\$500,000	\$0	\$800,000	\$300,000
RICAP - Chapin Health Laboratory	550,000	550,000	-	500,000	(50,000)
RICAP - State House Renovations	1,510,696	1,510,696	-	1,478,000	(32,696)
RICAP - Old State House	1,519,815	1,519,815	-	100,000	(1,419,815)
RICAP - State Office Building	100,000	100,000	-	100,000	-
RICAP - Williams Powers Building	760,587	760,587	-	1,800,000	1,039,413
Total	\$4,941,098	\$4,941,098	\$0	\$4,778,000	(\$163,098)

- William Powers Building:** The William Powers Building located in Providence houses the Department of Administration, the Department of Revenue, and some smaller state agencies. The Budget includes \$1.8 million in RICAP funds in FY2022 that include HVAC upgrades, cafeteria renovations, establishing a central building monitoring system (BMS), design work for window and exterior envelop repairs, garage safety and other security issues.
- Rhode Island Convention Center Authority Venues:** Includes \$4.6 million in RICAP funds for continued asset protection, upgrades, renovations, and funding of the renewal and replacement bond covenant for the Dunkin Donuts Center. This is an increase of \$3.6 million from the previous year.

RI Convention Center Authority Venues	FY2021	FY2021	Change	FY2022	Change
	Enacted	Governor		Governor	
RICAP - Dunkin Donuts Center	\$0	\$0	\$0	\$2,300,000	\$2,300,000
RICAP - Veterans Auditorium	-	-	-	285,000	285,000
RICAP - Rhode Island Convention Center Authority	1,000,000	1,000,000	-	2,000,000	1,000,000
Total	\$1,000,000	\$1,000,000	\$0	\$4,585,000	\$3,585,000

- Dunkin Donuts Center:** The Budget includes \$2.3 million in RICAP funds for continued asset protection, upgrades, renovations, and funding of the renewal and replacement bond covenant for the Dunkin Donuts Center. Due to the COVID-19 Pandemic the facility was closed to the general public during FY2021 and used as a staging and vaccination venue as part of the State's response to the pandemic. There were no asset protection funds therefore this appropriation appears as an increase of \$2.3 million from the previous year.
- Rhode Island Convention Center Authority:** Includes \$2.0 million in RICAP funds for continued asset protection, upgrades, renovations, The Rhode Island Convention Center (RICC) in Providence is owned and operated by the Rhode Island Convention Center Authority (RICCA), but leased to the State through a sublease agreement implemented in November 1991. The Convention Center opened in December 1993 and as the facility ages into its fourth decade, an asset protection and preventive maintenance program is required to maintain the facility.

- **Miscellaneous Capital Projects:** Includes \$9.1 million to fund various major maintenance and repairs to 17 statewide projects or structures. This is an increase of \$376,050 from the previous year.

Capital Projects	FY2021	FY2021	Change	FY2022	Change
	Enacted	Governor		Governor	
RICAP - Accessibility - Facility Renovations	\$1,057,621	\$1,057,621	\$0	\$1,000,000	(\$57,621)
RICAP - Arrigan Center	-	-	-	197,500	197,500
RICAP - BHDDH DD & Community Facilities - Asset Pr	200,000	200,000	-	300,000	100,000
RICAP - BHDDH DD & Community Homes - Fire Code	1,619,702	1,619,702	-	325,000	(1,294,702)
RICAP - BHDDH DD Regional Facilities - Asset Protec	300,000	300,000	-	450,000	150,000
RICAP - BHDDH Group Homes	500,000	500,000	-	750,000	250,000
RICAP - BHDDH Substance Abuse Asset Protection	250,000	250,000	-	375,000	125,000
RICAP - Big River Management Area	100,000	100,000	-	250,000	150,000
RICAP - Cranston Street Armory	37,396	37,396	-	325,000	287,604
RICAP - Energy Efficiency Improvements- Statewide	194,329	194,329	-	1,250,000	1,055,671
RICAP - Environmental Compliance	182,280	182,280	-	400,000	217,720
RICAP - Information Operations Center	736,171	550,000	(186,171)	800,000	63,829
RICAP - Replacement of Fueling Tanks	300,000	300,000	-	800,000	500,000
RICAP - State Office Reorganization & Relocation	1,952,765	1,952,765	-	500,000	(1,452,765)
RICAP - Washington County Government Center	427,467	427,467	-	500,000	72,533
RICAP - Zambarano Buildings	250,000	250,000	-	350,000	100,000
RICAP -Security Measures State Buildings	588,719	588,719	-	500,000	(88,719)
Total	\$8,696,450	\$8,510,279	(\$186,171)	\$9,072,500	\$376,050

- **Cranston Street Armory:** The Budget includes \$325,000 in RICAP funds for continued asset protection/structural stabilization work on the facility, design and engineering work for the structure's exterior envelope, and funds for a study on the reuse of the structure.
- **State Office Reorganization and Relocation:** The capital plan includes RICAP funding of \$2.0 million in FY2021, \$500,000 in FY2022, and \$500,000 in FY2023 and in FY2024 to continue redesigning and relocating state office personnel to provide for more workspace efficiency and modernization. Current projects include reorganizing human resources, relocating Vital Records from the Cannon Building to the Pastore Campus in Cranston, and relocating the Department of Human Services office from a privately owned structure on Elmwood Avenue in Providence to state-owned buildings.