

Governor's FY 2026 Budget – Requested Budget Amendments

Staff Presentation to the House Finance
Committee
April 23, 2025

Introduction

Topics		
RICAP Project Revisions	GBA 6 & 14	H 5075 Article 1
	GBA 7 & 15	H 5076 Article 1
IT Project Related Issues	GBA 8 – ERP Cost	H 5075 Article 1
	GBA 9 – Funding & Cost Allocation	H 5076 Article 2
	GBA 10 – IT Staff	H 5076 Articles 1 & 3

Introduction

- Capital budget
 - Process and management
 - RICAP
 - Governor's recommended plan
 - GBA 6,7,14, & 15
- Information Technology
 - Process and management
 - Fund sources
 - GBA 8 - 10

Capital Budget Goals

- Enhance long-term & strategic planning
- Master planning for state properties & accurate estimates
- Better linkage between capital and operating budgets
- Limit debt use to long-term capital improvements
- Generate a high return on investment
- Execute projects in a timely manner
- Help agencies meet strategic objectives

Capital Budget Process

- § 35-3-7.2(4) Budget officer as capital development officer
 - The budget officer...shall be responsible for
 - *Acting as chairperson of the **capital development planning and oversight commission** which is to be appointed by the governor. The commission, in addition to recommending to the governor the biennial capital budget, shall implement a long-range capital development planning process and shall be responsible for the development of an inventory of state assets to determine the need and prioritization of capital improvements.*

Capital Budget Process

- Budget Officer issues capital budget instructions annually that contain goals, processes, rules, and other guidance
 - Who must submit (every state and quasi)
 - Concepts and definitions
 - Capital vs maintenance
 - Appropriate fund sources
 - Information Technology requests
 - Vehicle purchases

Capital Budget Process

July/August

Agencies submit 5-year capital improvement requests

Copies to Leg. fiscal advisors

August – December

Internal projects request review

January

Governor recommends 5-year capital plan as part of annual budget

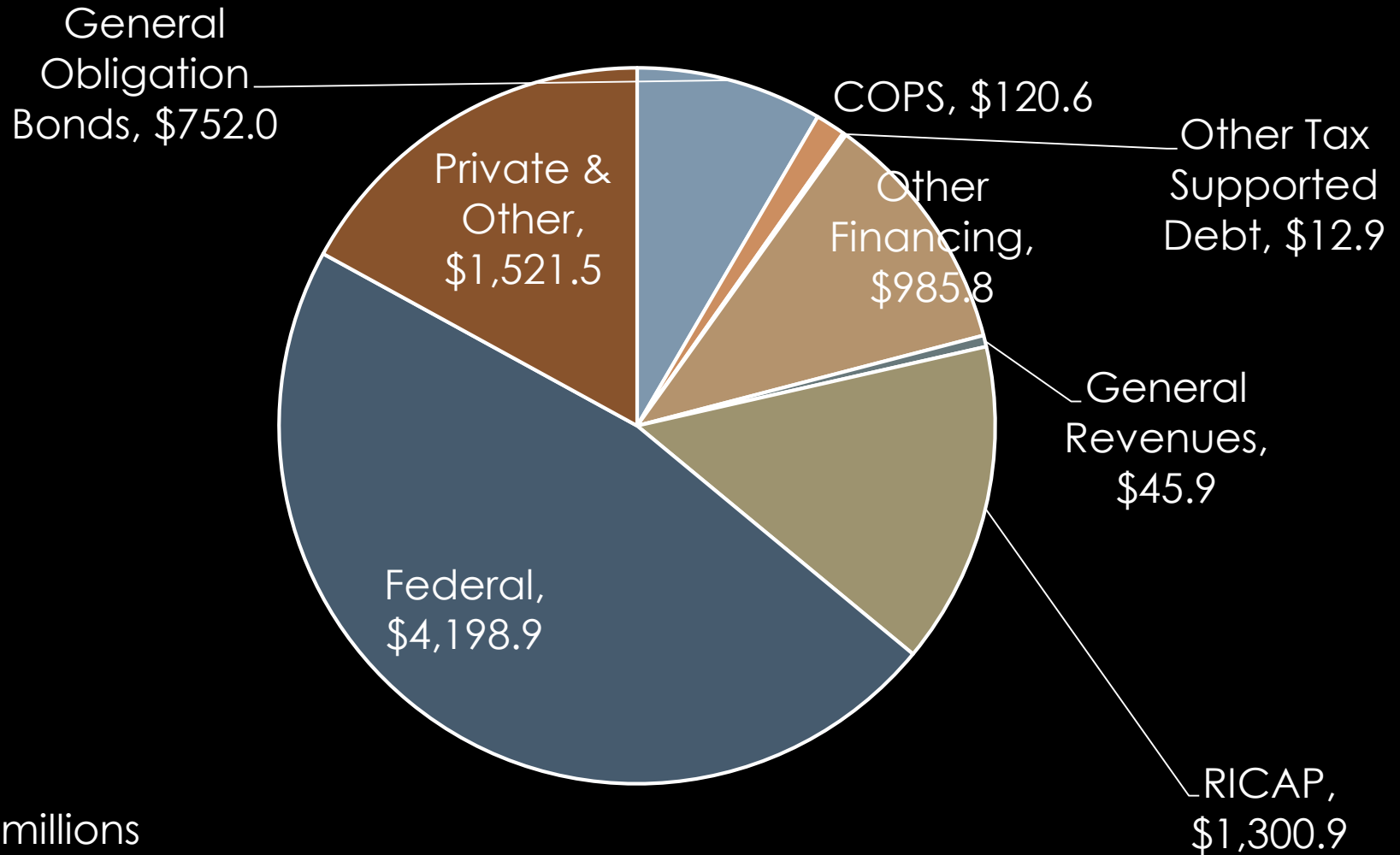
June

Assembly acts on elements of 5-year plan as part of budget

Assembly Role

- Appropriate Pay-Go (Article 1)
- Approve General Obligation Bond Referenda – every other year
 - Voters approve or reject
 - Debt service automatic
- Other Financing (Kushner)
 - Approve or reject resolution
 - Generally appropriate debt service

Capital Projects



\$ in millions

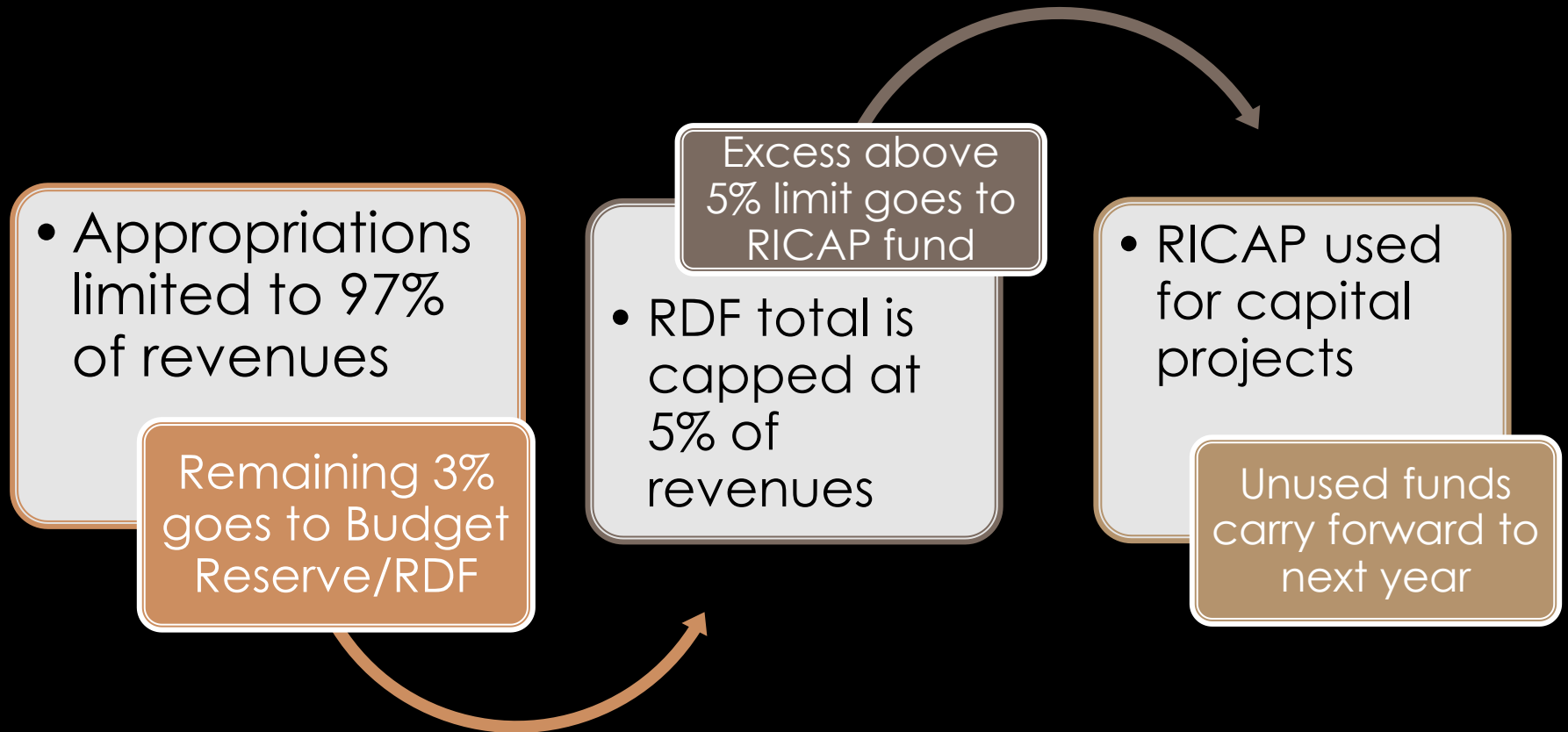
Rainy Day Fund

- Appropriations limited to 97% of the estimated general revenues
 - From all sources including prior year surplus
- Remaining 3% goes into a **budget reserve and cash stabilization account** or “Rainy Day Fund”
 - Can only be used under specific conditions
 - **Current Year Revenue drop in May**
 - Amounts used must be replaced next year
 - Use has implications for RICAP funds

Rhode Island Capital Plan Funds

- When RDF reaches 5.0% of revenues, the excess flows to the capital account
 - Previously used mostly to pay debt
- Voters amended constitution in 2006 to limit use for projects only
 - Dedication of pay-go sources to capital lessens need to issue debt

Rhode Island Capital Plan Funds

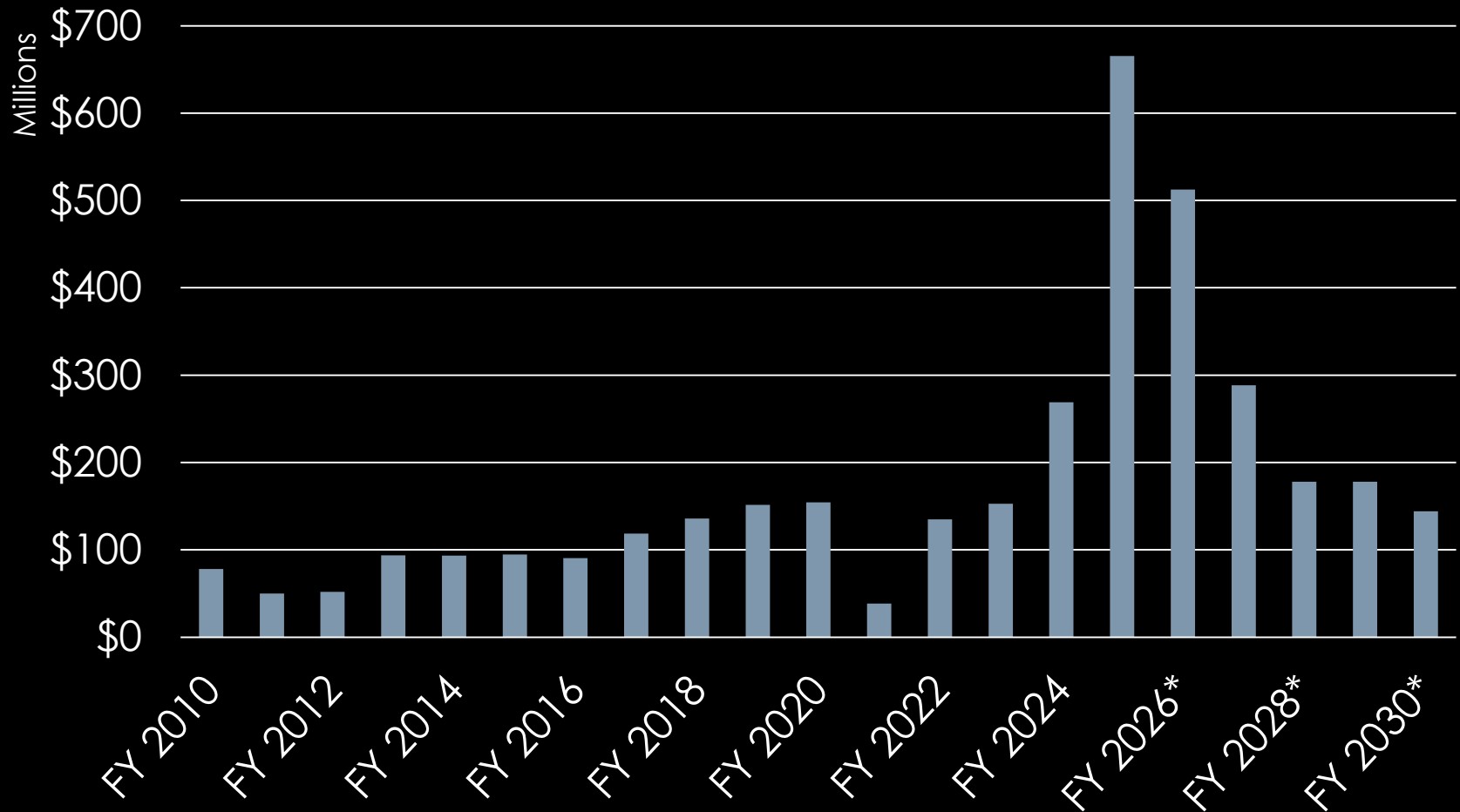


Rhode Island Capital Plan Funds

- Resources grew after use restricted to capital by constitutional amendment
 - Intended purpose
- Use of rainy day fund to balance FY 2020 budget interrupted normal flow
 - Payback occurred in FY 2021
- Deposits from non-recurring surpluses
 - 2022 Assembly transferred \$578.0 million
 - 2023 Assembly transferred \$242.4 million

Rhode Island Capital Plan

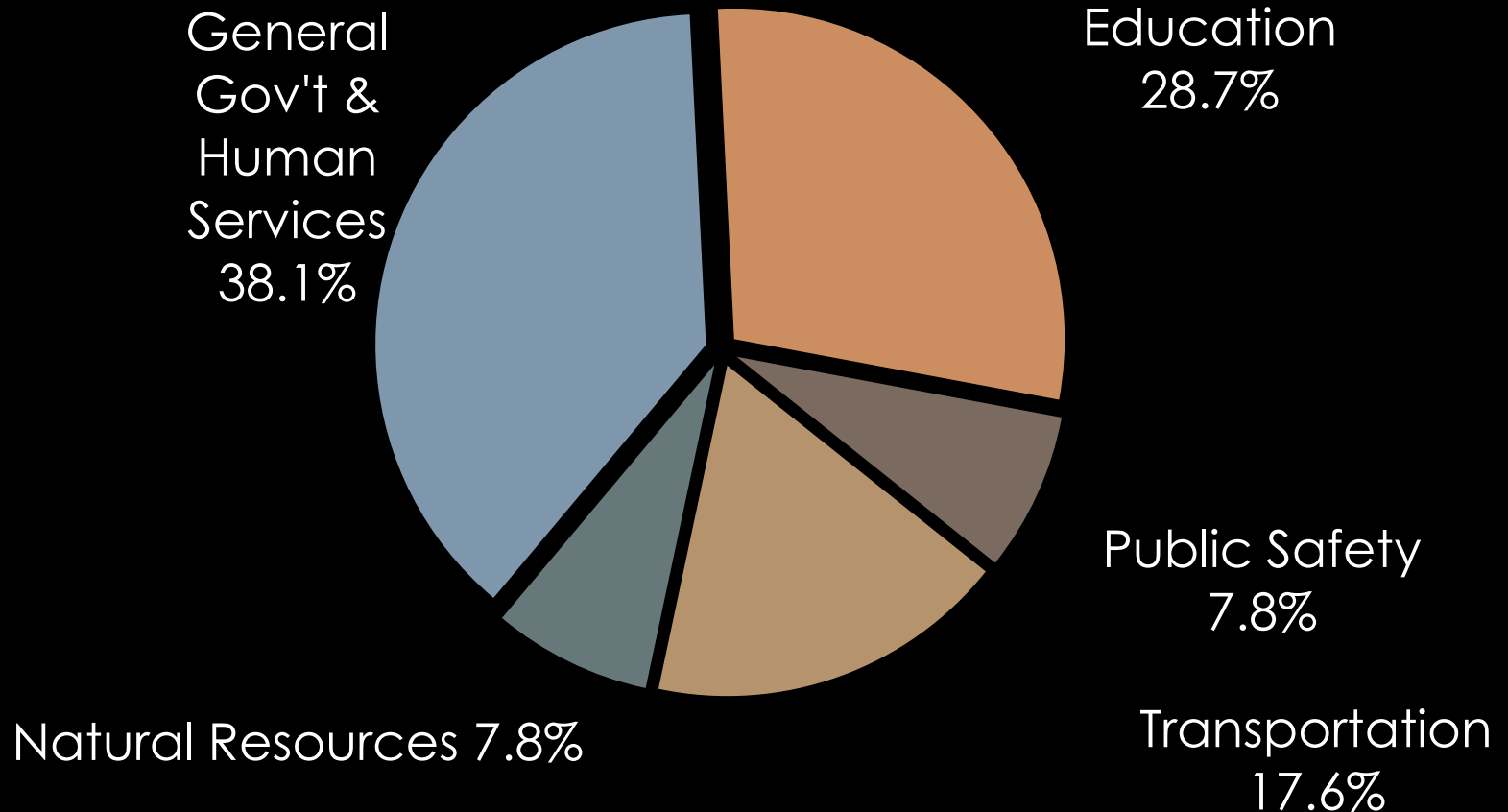
Funds



*Governor's recommended plan

RICAP –

Governor FY 2026 – FY 2030



RICAP Fund

FY 2026 Governor	FY 21	FY 22	FY 23	FY 24	FY 25
Balance	\$62.2	\$149.8	\$699.2	\$998.5*	\$942.6
Over 5% cap	-	116.4	170.5	154.5	173.7
Premiums & Int.	6.1	5.1	24.3	54.4	25.0
Transfers	120.0	563.0	257.4	-	-
Total	\$188.3	\$834.3	\$1,151.4	\$1,207.4	\$1,141.3
Projects	(38.4)	(135.0)	(152.3)	(264.8)	(665.3)
Balance	\$149.8	\$699.2	\$999.1	\$942.6	\$476.0

\$ in millions; * draft audit \$0.6 M lower

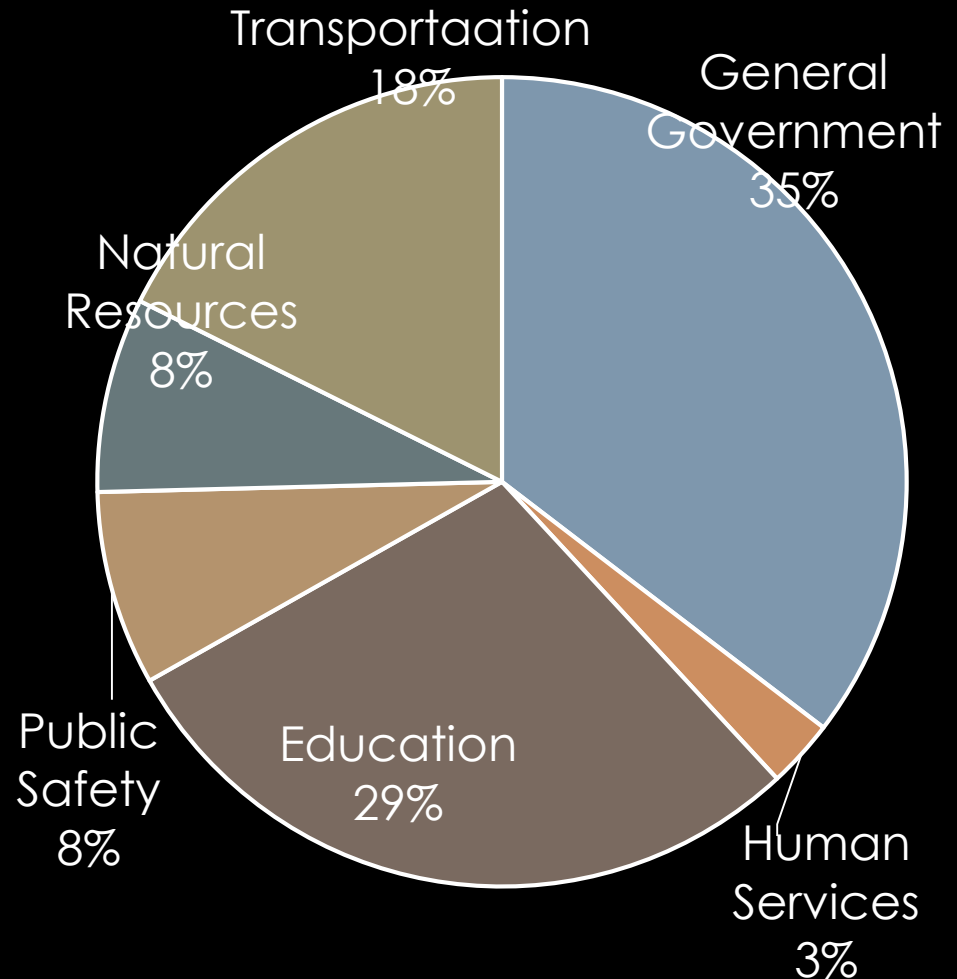
RICAP Fund

FY 2026 Governor	FY 26	FY 27	FY 28	FY 29	FY 30
Balance	\$476.0	\$150.0	\$42.5	\$37.9	\$38.6
Over 5% cap	176.2	178.6	172.8	178.0	183.0
Premiums & Int.	10.3	2.3	0.7	0.6	1.1
Transfers	-	-	-	-	-
Total	\$662.5	\$330.9	\$216.0	\$216.5	\$222.6
Projects	(512.4)	(288.4)	(178.0)	(177.9)	(144.1)
Balance	\$150.0	\$42.5	\$37.9	\$38.6	\$78.5

\$ in millions

RICAP – Governor's Budget

- \$1,300.9 million for FY 2026 – FY 2030
- Approximately \$260M annually
 - 26% for Higher Education
 - 18% for Transportation
 - State buildings & facilities
 - Courts, prisons, hospitals
 - Dams, piers, parks



Administration

- Project responsibility varies
- Some entities regularly manage major projects of their own
 - DOT, Higher Education, DEM, QDC
 - DOA - Division of Capital Asset Management & Maintenance has broader responsibilities for state properties and projects
 - Directly budgeted in DOA
 - Or billed to other agencies through ISF

Capital Asset Management & Maintenance

- “DCAMM” was created by 2016 legislation & assumed responsibilities:
 - Facilities Management
 - Oversees 140 buildings under DOA jurisdiction
 - Responsible for maintenance and snow removal
 - Capital Projects & Property Management
 - Inventory of state properties
 - Construction management of capital projects

Capital Asset Management & Maintenance

- Division headed by a director
 - Appointed by DOA director
 - Reviews agency capital budget requests
 - Ensure consistent with strategic & master plans
- Budget Includes
 - Direct appropriation to DOA
 - Billings to other state agencies through internal service funds
 - Authorized in 2017 legislation

Capital Asset Management & Maintenance – ISF

	FY 2024	FY 2025 Enacted	FY 2025 Revised	FY 2026 Governor	Chg./ Enact.
Sal. & Ben.	\$13.2	\$14.5	\$14.8	\$15.3	\$0.8
Contract Serv.	8.4	9.2	9.4	8.6	(0.6)
Operations	34.4	29.6	29.7	16.5	(13.1)
Capital	0.2	0.0	0.0	0.1	0.0
Total	\$56.2	\$53.3	\$53.9	\$40.5	\$(12.8)
Agency Budgets	\$55.4	\$52.0	\$52.9	\$44.1	\$(7.9)
FTE	110.0	111.0	103.0	101.0	(10.0)

\$ in millions

- FY 2024 fund balance negative \$470K

Capital Asset Management & Maintenance

- Governor's recommendation allocates \$2.0M staff expenses for project managers to RICAP
 - Project costs were not updated to reflect staffing expenses
 - Assembly rejected this proposal last year

	FY 2025 Enacted	FY 2025 Governor	FY 2026 Governor	Chg./ Enact.
Salaries & Benefits	\$2.0	\$1.9	\$-	\$(2.0)
Operating	7.9	8.0	9.0	1.1
Total	\$9.9	\$9.9	\$9.0	\$(0.9)

\$ in millions

Capital Project Revisions

- The Governor has requested 4 amendments that change RICAP funding for several projects
 - Technical to align with final FY 2024 audit
 - Project shortfalls based on updated estimates or information
 - Reductions to cover other shortfalls
 - Expenses shift outside the 5-year planning horizon or pending master plan outcomes

RICAP GBA 6, 7, 14, & 15

	FY 2024	FY 2025	FY 2026	FY 2027	Total Change
DOA	\$0.9	\$(0.9)	\$ -	\$ -	\$ -
DOR	-	0.2	-	-	0.2
DCYF	-	-	(4.0)	4.0	-
RIC	3.9	(3.9)	-	-	-
Davies	0.3	(0.3)	4.5	-	4.5
Military Staff	0.1	(0.1)	4.3	7.6	11.9
DOT	(0.1)	0.1	-	-	-
Total	\$5.1	\$(4.8)	\$4.8	\$11.6	\$16.6

\$ in millions

Aviation Readiness Center

- Governor: \$55.5M to construct new HQ for Army Guard Aviation Unit at Quonset
 - \$3.7M from RICAP
 - Assumes 5% state share for most costs
 - National Guard Bureau increased state share to 25% in July 2024
 - Agency appealed -Bureau will not reconsider
- Total project costs increase to \$67.4M
 - Increased construction, design, and FFE costs

Aviation Readiness Center

- GBA adds \$11.9M to state share
 - \$15.6M from RICAP
 - No change to federal amount
- Extends completion date to September 2027

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	Total
Approved	\$0.1	\$3.3	\$ -	\$ -	\$3.4
Governor	\$0.1	\$3.4	\$0.3	\$ -	\$3.7
GBA 15	\$ -	\$ -	\$4.3	\$7.6	\$11.9
New Gov	\$0.1	\$3.4	\$4.5	\$7.6	\$15.6

\$ in millions

Capital Projects – GBA 6 & 7

- Reduces some project costs to fund Zambarano Buildings and Campus

RICAP	Governor's Total Capital Budget	GBA 6 & 7
Cannon Building	\$18.9	\$(1.5)
Washington County Govt. Center	3.9	(1.2)
Chapin Health Lab.	3.4	(0.4)
Pastore Center Bldgs. Demolition	12.9	(1.0)
Pastore Center Infrastructure	129.8	(6.1)
Total	\$168.8	\$(10.1)
Zambarano Buildings & Campus	\$33.7	\$10.1

\$ in millions

Cannon Building

- Department of Health main operations
 - Ongoing funding to upgrade HVAC, renovate restrooms, and address ADA compliance
- GBA excludes the value of the feasibility study
 - Work will be done with other Master Plan work
 - Other needs would be funded post-FY 2030

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Approved	\$0.2	\$0.7	\$1.1	\$3.9	\$4.2	\$4.2	\$ -	\$14.3
Governor	\$0.0	\$0.7	\$1.1	\$3.9	\$4.2	\$4.2	\$1.8	\$15.9
GBA 6	\$ -	\$(0.6)	\$(0.9)	\$-	\$-	\$-	\$-	\$(1.5)
New Gov	\$0.0	\$0.2	\$0.2	\$3.9	\$4.2	\$4.2	\$1.8	\$14.5

\$ in millions

Washington County Government Center

- Houses operations for several agencies
 - CRMC, DMV, DCYF, and others
 - Funding for asset protection, A&E, and feasibility study
- GBA excludes funding for A&E
 - Pending outcome of the feasibility study

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Approved	\$0.7	\$0.8	\$0.6	\$0.2	\$0.2	\$0.2	\$ -	\$2.5
Governor	\$0.5	\$0.9	\$0.6	\$0.2	\$0.2	\$0.2	\$0.2	\$2.7
GBA 6	\$-	\$(0.7)	\$(0.5)	\$-	\$-	\$-	\$-	\$(1.2)
New Gov	\$0.5	\$0.2	\$0.1	\$0.2	\$0.2	\$0.2	\$0.2	\$1.5

\$ in millions

Chapin Health Lab

- Houses laboratories for Dept. of Health
 - Funding for asset protection
 - New health laboratory facility ready late 2025
 - Building will essentially be vacant
 - State Medical Examiners moved to new facility 1/2025
- GBA reduces expenses in FY 2025 & FY 2026

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	Total
Approved	\$0.8	\$0.4	\$0.4	\$0.3	\$1.8
Governor	\$0.4	\$0.5	\$0.4	\$0.3	\$1.5
GBA	\$-	\$(0.1)	\$(0.3)	\$-	\$(0.4)
New Gov	\$0.4	\$0.4	\$0.1	\$0.3	\$1.2

\$ in millions

Pastore Center Buildings Demolition

- Demolish several buildings on Pastore Center
 - Pinel, Eastman House, Gloria McDonald, Welcome Arnold, and the old laundry facility
 - In process of mobilizing and shutting down utilities
- GBA – \$1.0M less based on bids received

RICAP	FY 2024	FY 2025	Total
Approved	\$1.0	\$9.9	\$10.9
Governor	\$0.5	\$10.4	\$10.9
<i>GBA</i>	\$	\$(1.0)	\$(1.0)
New Gov	\$0.5	\$9.4	\$9.9

\$ in millions

Pastore Center Infrastructure

- Infrastructure improvements to Pastore Center
 - Water, electrical, and broadband
 - Underground wiring over 40 years old
- GBA reduces funding by \$6.1M to reflect delays
 - Out-year funding likely needed

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total
Approved	\$22.2	\$22.2	\$20.0	\$20.0	\$15.0	\$8.5	-	\$107.9
Governor	\$3.4	\$41.0	\$15.0	\$15.0	\$15.0	\$10.0	\$20.0	\$119.4
GBA	\$-	\$(6.1)	\$-	\$-	\$-	\$-	\$-	\$(6.1)
New Gov	\$3.4	\$34.8	\$15.0	\$15.0	\$15.0	\$10.0	\$20.0	\$113.2

\$ in millions

Zambarano Buildings and Infrastructure

- Zambarano Campus includes 460 acres
 - 33 buildings
 - Includes utility buildings
 - Has steam-producing plant, water treatment plant, & sewage treatment plant
- Eleanor Slater Hospital
 - Beazley Building - 240,000 sq. feet

Zambarano Buildings and Infrastructure

RICAP	FY 2024 – FY 2029 Approv.	FY 2024 – FY 2030 Gov.	Chg.	Gov. GBA	Gov. Total
WW Treatment Facility	\$2.9	\$4.0	\$1.1	\$7.0	\$11.0
Buildings Demolition	6.7	2.6	(4.1)	5.4	8.0
Elevator Repairs	2.8	3.6	0.7	-	3.6
Beazley – Renovation	1.8	1.4	(0.4)	-	1.4
Asset Protection	0.9	1.2	0.4	-	1.2
Other Projects	7.8	10.2	2.4	(2.3)	7.9
Total	\$22.9	\$23.0	\$0.1	\$10.1	\$33.1

\$ in millions

Capital Projects – *Zambarano Long-Term Care*

- Gov: \$107M RICAP from FY 2025 - FY 2029
 - \$8.6 M for FY 2025 & \$26.1 M for FY 2026
 - Construct 100-patient long-term care facility Zambarano Campus
 - Replacing Beazley building
- Capital plan assumes \$90M in new debt
 - With use starting in FY 2027
- Assembly consideration???
- Nothing presented for approval
- How can project proceed without funding?

Capital Projects – Zambarano Long-Term Care

	Project Costs	# Beds	Costs/Bed	Sources	Note
FY 2026	\$197.1	100	\$2.0M	RICAP & COPS	Debt approval not presented
FY 2025	\$107.1	100	\$1.1M	RICAP	
FY 2024	\$108.2	110	\$1.0M	RICAP	
FY 2023	\$108.2	110	\$1.0M	RICAP	
FY 2022	\$64.9	85	\$0.8M	COPS	Governor paused reorganization plan

\$ in millions

- Scope changes?

Davies School Wing Renovation

- Approved in FY 2024 budget
 - \$35.0M - significantly renovate 1970s wing
 - Assumed minor roof repairs to be covered through annual asset protection
 - FY 2026 request and Governor delayed completion one year to FY 2027
- GBA #15 adds \$4.5 million in FY 2026
 - Roof replacement required now

Davies School Wing Renovation

- Maintains original project scope and updated schedule
 - Roof must be fixed to complete project

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	Total
Approved	\$0.5	\$32.0	\$2.5	\$ -	\$35.0
Governor	\$0.1	\$2.4	\$30.0	\$2.5	\$35.0
Gov. Chg. to Approved	\$(0.4)	\$(29.6)	\$27.5	\$2.5	\$ -
GBA	\$ -	\$ -	\$4.5	\$ -	\$4.5
New Gov	\$0.1	\$2.4	\$34.5	\$2.5	\$39.5

\$ in millions

Female Youth Capacity

- State lacks capacity to treat adolescent girls and young women who face severe and complex behavioral health challenges
 - Various plans over the years to address what has been a growing gap in services
- 2022 Assembly provided \$12M from ARPA funds to expand existing in-state housing and design a new facility
 - Added \$45M in RICAP to construct female facility
 - Programmed for FY 2024 – FY 2026
 - \$11.0 million for St. Mary's to expand PRTF

Exeter – Female Youth Facility

- Governor maintains approved funding for the Residential Treatment Facility
 - \$45M from RICAP
 - Project broke ground in August 2024
 - Funding programmed through FY 2026
 - Budget assumes occupancy by April 2026
 - Includes operating funding for 3 months
 - 16 beds to be compliant with Medicaid rules
- GBA #14 & 15 change scope and shift funding

Exeter – Female Youth Facility

- Change to “Residential Treatment Facilities”
 - \$2.0M in FY 2026 – planning costs for additional facility
 - Placeholder in FY 2027 for future construction
 - Full plan or location not yet known

RICAP	FY 2024	FY 2025	FY 2026	FY 2027	Total
Approved	\$15.0	\$15.0	\$15.0	\$ -	\$45.0
Governor	\$1.4	\$28.6	\$15.0	\$ -	\$45.0
Gov. Chg. to Approved	\$(13.6)	\$13.6	\$15.0	\$ -	\$ -
GBA	\$ -	\$ -	\$(4.0)	\$4.0	\$ -
New Gov	\$1.4	\$28.6	\$11.0	\$4.0	\$45.0

\$ in millions

Information Technology Issues

Summary

- Governor has requested 3 amendments that affect IT projects and operations
 - Increases dedicated resources available to both sources of IT project funds
 - Interest earnings
 - Charges to agencies for funded projects
 - Empowers personnel administrator to create special IT positions without a public hearing
 - Adds 15 FTE to DOA budget
 - Converting IT contractors

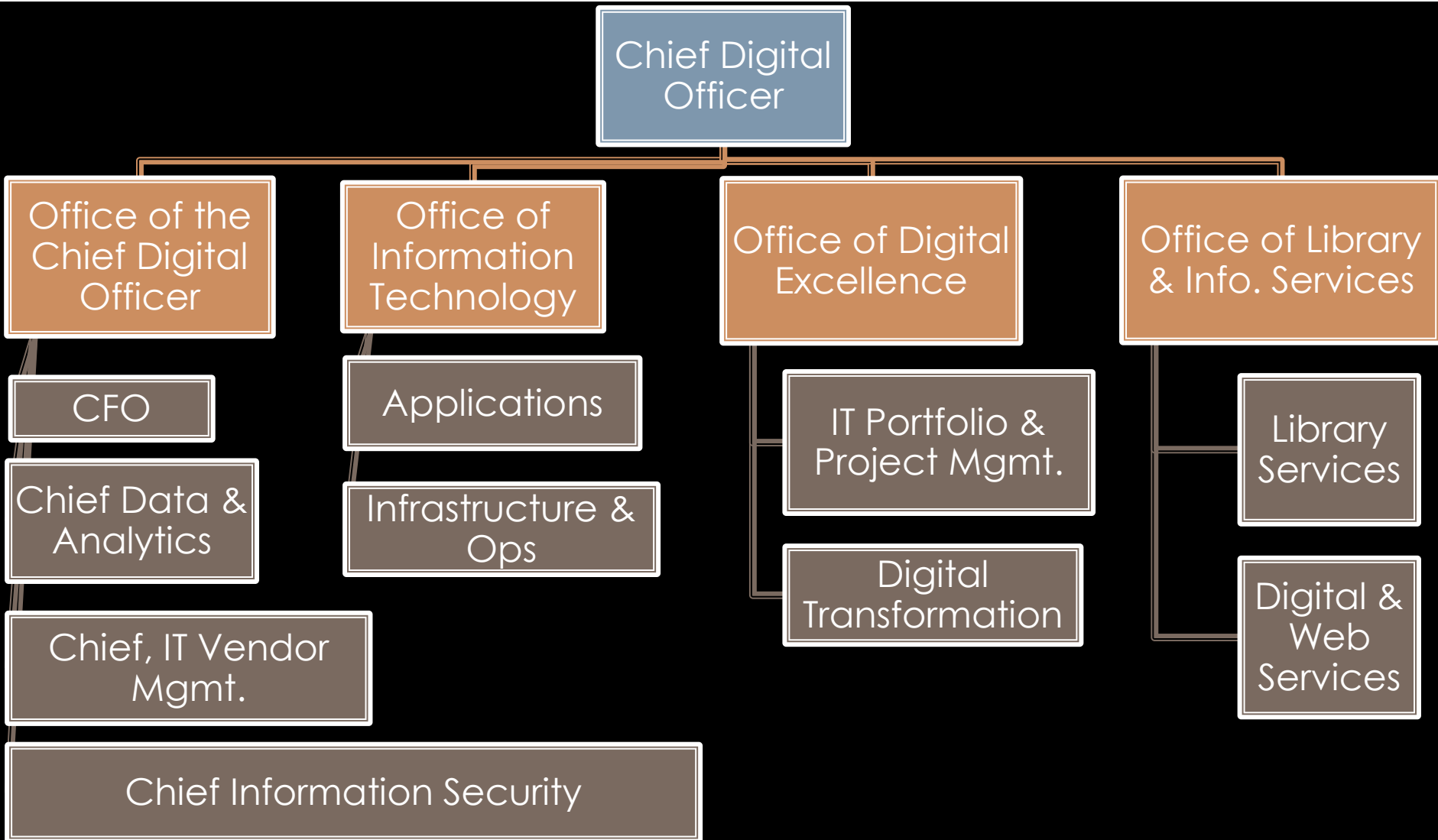
Enterprise Technology Strategy & Services

- Division of Information Technology created by executive order in 2004
 - Improve efficiency, effectiveness and security of computer operations
 - Service desk
 - Network support
 - Mail
 - Telecommunications
- Restructured & established in law in 2016
 - Oversee operations of the Office of Library and Information Services

Enterprise Technology Strategy & Services

- Division is tasked with:
 - Managing technology infrastructure projects and upgrades
 - Large scale technology projects
- Division is headed by chief digital officer
 - Appointed by DOA director
 - Position created by 2012 Assembly

ETSS – Structure



Internal Service Funds

- 2017 Assembly authorized establishment of internal service funds for centralized services
 - Information technology, capital asset management & maintenance, & HR
 - Recommendation issued by Auditor General
 - Maximize available non-general revenue sources
 - Requires DOA to report fund activities
 - Breakdown by department and agency on a quarterly basis

Enterprise Technology Strategy & Services – ISF

	FY 2024	FY 2025 Enacted	FY 2025 Revised	FY 2026 Governor	Chg./ Enact.
Sal. & Ben.	\$27.1	\$28.6	\$30.8	\$34.5	\$5.9
Contract Serv.	3.3	4.7	5.4	5.7	1.0
Operations	20.9	28.8	27.3	30.4	1.6
Capital	0.2	0.0	0.0	0.0	-
Total	\$51.4	\$62.1	\$63.5	\$70.6	\$8.5
Agency Budgets	\$48.6	\$51.4	\$51.8	\$57.6	\$6.2
FTE	174.0	175.0	179.0	181.0	6.0

\$ in millions

- FY 2024 fund balance \$7.1 million

Information Technology Investment Fund

- Created by 2011 Assembly for acquiring information technology improvements
 - Designed to create pool of resources for projects instead of borrowing
 - Acquiring information technology improvements
 - Hardware, software, and ongoing maintenance
 - Originally supported by land sales

Information Technology Investment Fund

	Assembly	Amounts/Descriptions
Transfers	2012	\$9.0 million; gen. rev.
	2014	\$26.3 million; tobacco settlement
	2021	\$67.0 million; gen. rev.
	2022	\$75.0 million; gen. rev.
Surcharges	2014	10% on wire & land lines receipts
	2017	\$1.50 DMV transactions; reverts to DMV in FY 2023
	2018	Vital records = for certified records <\$5 mail-in, \$3 duplicate, \$2 walk-in municipal halls or DOH
	2024	Removes group homes sale proceeds. Vital records back to gen. rev

Large Systems Initiatives Fund

- 2023 Assembly established a Large Systems Initiatives Fund
 - Supported by direct appropriations
 - Managed by DOA chief information officer
 - Or his/her designee
 - For bigger information technology projects to facilitate capture of federal participation

Large Systems Initiatives Fund

- FY 2024 enacted budget transfers to Large Systems Initiatives Fund
 - \$115 million from the Information Technology restricted receipt account
 - \$13 million from general revenues
 - \$8 million for RI Children's Information system
 - \$5 million for Gateway to Government initiative

Enterprise Technology Strategy & Services

- Article 2 of 2025-H 5076 – GBA #9
 - Assigns any accrued interest to the LSI fund
 - \$16.1 million to date
 - Authorizes State Controller to transfer “excess interest” accrued from LSI Fund to ITRR
 - Authorizes DOA director to charge capitalized costs to agencies that
 - “benefit from initiatives funded through the LSI fund”
 - Funds would go IT restricted account

Enterprise Technology Strategy & Services

- Article 1 of 2025-H 5075 – GBA #8
 - Updates ERP project cost to increase by \$15.8 M
 - From \$68.7M to \$84.5M
 - Funds the increase with LSI interest earnings
 - Presentation can be confusing because of the timing of expenses and original transfers between funds
 - There are other problems with conflicting numbers that add confusion to the review

Enterprise Resource Planning System

- FY 2019 Single Audit Report
 - Issued May 29, 2020 by Auditor General
 - Reported major deficiencies around information technology
 - Also cited in prior reports
- Administration hired vendor in 2019 to examine options and strategy for replacing systems
 - Report issued identifies reasons for modernization

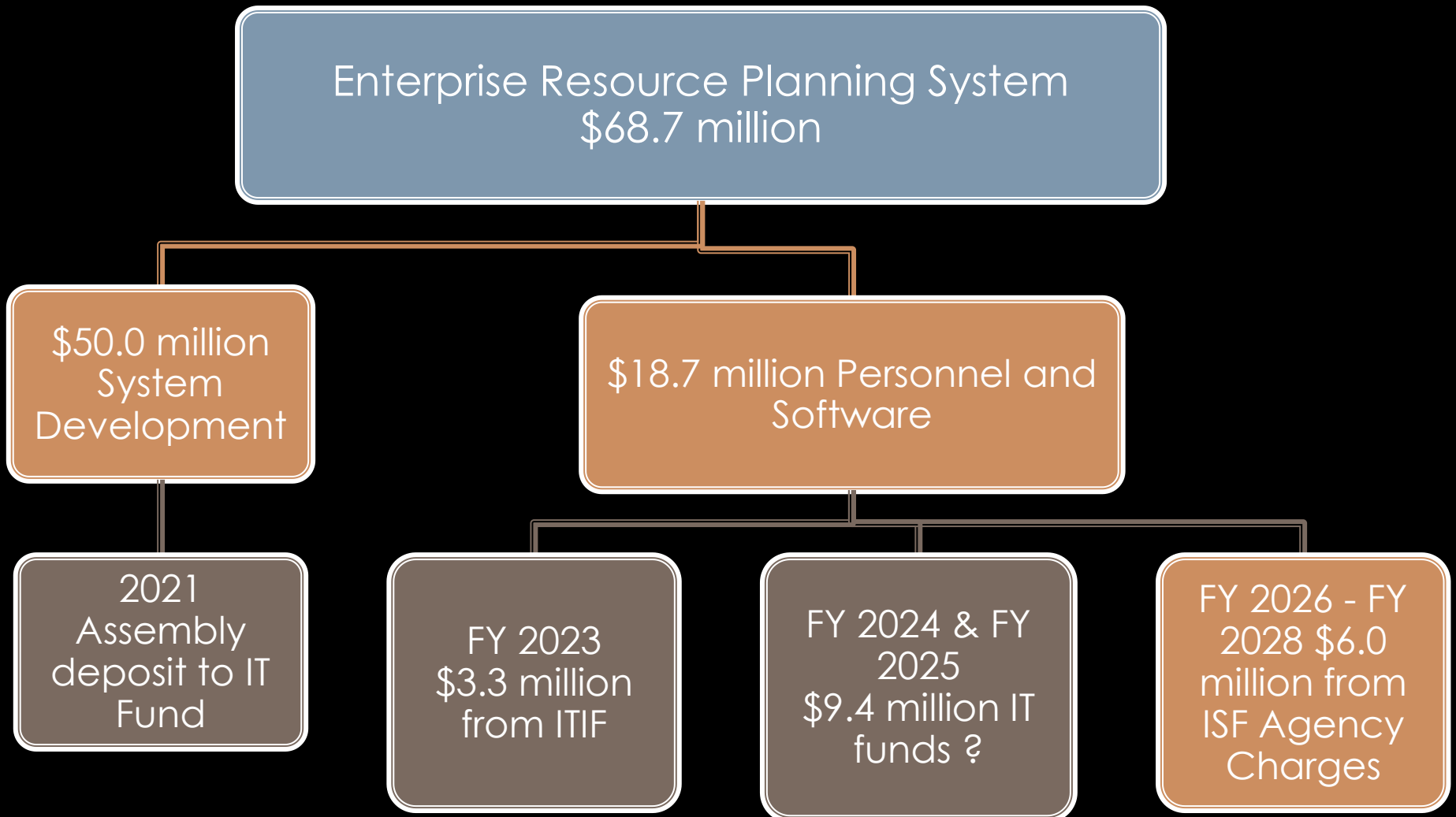
Enterprise Resource Planning System

- Governor's FY 2022 budget recommended borrowing \$54.8 million
 - Human resources & payroll – decades old
 - Finance: RIFANS/Oracle – 2006
 - Multiple years to implement
- 2021 Assembly provided \$50M in resources in lieu of Governor's debt proposal
 - System development
- 2022 Assembly provided additional \$2.2M for implementation support

Enterprise Resource Planning System

- Request for proposals issued Nov. 2021
 - Received six proposals
- Contract was awarded in Nov. 2022
 - Project started Jan. 2023
- Expected completion dates
 - Human Resources & Payroll = Q3 CY 2025 - in testing
 - Finance = Q2 CY 2025 – in progress
 - System stabilization = Q2 CY 2028

Enterprise Resource Planning System



Information Technology – Enterprise Resource Planning

ERP	LSIF Fund	ITRR	ISF- Agency Charges	Total	M&O
FY 2022 Approved	\$50.0	\$-	\$18.7	\$68.7	
FY 2026 Updated Project Cost – GBA#8	\$55.1	29.4	-	\$84.5	\$38.8
Change	\$5.1	\$29.4	\$(18.7)	\$15.8	
Chg. to Appr. % Chg				23%	

\$ in millions

- Annual operating expenses of \$7 million
 - Agencies will be charged to fund maintenance based on their staffing levels

Information Technology – Enterprise Resource Planning

Gov Capital Budget Book	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Post	Total
FY 2023	\$1.5	\$19.9	\$20.5	\$18.2	\$3.1	\$5.5	\$68.7
FY 2024	\$0.1	\$21.3	\$20.5	\$18.2	\$3.1	\$5.5	\$68.7
FY 2025	\$0.1	\$9.6	\$23.1	\$26.0	\$4.5	\$8.4	\$71.8
FY 2026	\$0.1	\$9.6	\$1.6	\$40.9	\$10.3	\$28.6	\$91.3

\$ in millions

- FY 2026 capital budget understates prior year expenses and includes \$38.8 million for M&O
 - Annual operating expenses of \$7 million
 - FY 2025 total included half year of operating costs

Divisions of State Service

- Classified
- Unclassified
 - Positions specifically established by RIGL 36-4-2 or other statute
 - Employees of elected officials, courts, dept. directors, independent agencies, or public authorities
 - Employees involved in policy making
- Non-classified
 - Positions covered under Board of Education
 - Includes senior administrative staff & faculty

Divisions of State Service

- Classified Service
 - Competitive - civil service examinations
 - Non-Competitive
 - Positions include routine, laboring, custodial, or domestic tasks; subject to continuing supervision
 - Require licenses, certificates, or registrations
 - Few changes have been made since design & implementation over 50 years ago
- Most IT staff are in classified service

Personnel Administrator

- Personnel administrator is authorized to
 - Supervise operation of classification plan
 - Make recommendations to DOA director
 - Amendments and rules to carry out provision of merit system
 - Facilitate/coordinate background checks for employees in state positions with access to federal tax information

Enterprise Technology Strategy & Services

- GBA #10 amends Article 3 to define specialized IT positions
 - Broad definition
- Gives personnel administrator authority to change classifications & pay grades
 - Without a public hearing or Governor approval
 - Report to Governor & Assembly within 30 days
 - Provision would not apply to positions currently part of a collective bargaining unit

Enterprise Technology Strategy & Services

- GBA #10 also amends Article 1 of 2025-H 5076 – DOA FTE
 - Increases FTE authorization by 15.0
 - Assigned to the IT internal Service funds
 - Intent is to replace contractors with permanent staff to support maintenance operations and security of state information technology systems

Governor's FY 2026 Budget – Requested Budget Amendments

Staff Presentation to the House Finance
Committee
April 23, 2025
