

Office of the Attorney General

FY 2018 Revised & FY 2019 Recommended Budgets
FY 2019 – FY 2023 Capital Budget
Staff Presentation
March 29, 2018

Office of the Attorney General

- Central legal agency of the state
- Prosecutor of all criminal felony cases and misdemeanor appeals
- Represents all state agencies, departments, and commissions
- Initiates litigation to protect the interest of Rhode Island citizens

Office of the Attorney General

- Includes four programs:
 - Criminal – Prosecution of felony cases and misdemeanor appeals
 - Civil – Lawsuits brought against the state, agencies, boards and commissions
 - Bureau of Criminal Identification – Criminal history information, conducts background checks
 - General – Administrative Support

Undistributed Savings

- FY 2018 enacted budget includes \$25.0 million of statewide savings
 - Undistributed in DOA's budget
- Governor's revised budget has proposals that total \$25.0 million
 - Not all repeat in FY 2019
 - None of these savings have been attributed to the Office of the Attorney General

Centralized Services

- 2017 Assembly authorized establishment of internal service funds for centralized services
 - Information technology, capital asset management & maintenance, & HR
- Costs previously budgeted in DOA
 - Methodology on distribution needs review
 - Long term impacts and transparency concerns

Centralized Services

- Governor's budget allocates costs to user agencies

General Revenues	FY 2018	FY 2019
Information Technology Total	\$29,355	\$29,581

Staffing

FY 2019 Governor Recommendation		
	AG	Statewide
Gross Salaries (in millions)	\$18.1	\$1,117.1
Turnover (in millions)	(0.5)	(42.9)
Turnover %	2.9%	3.8%
Turnover FTE	6.9	592.2
FY 2019 FTE recommended	235.1	15,426.5
Funded FTE	228.2	14,834.3
Filled as of March 17	226.1	13,875.0
Funded but not filled	2.1	959.3

Programs

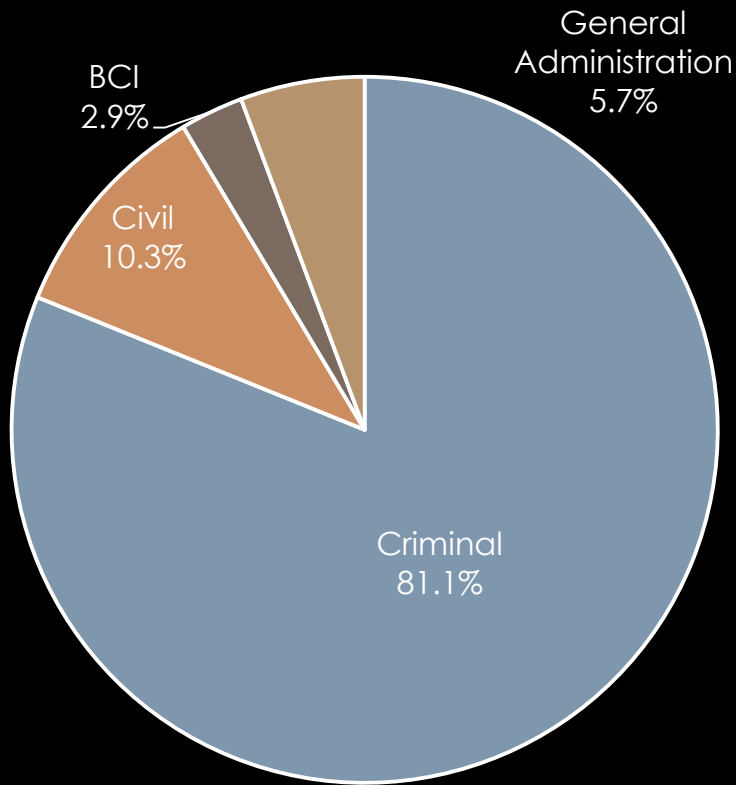
Divisions	FY 2018 Enacted	FY 2018 Rev. Req.	FY 2018 Gov. Rev.	Change to Enacted
Criminal	\$33.2	\$46.8	\$46.3	\$13.1
Civil	5.9	5.9	5.9	-
General	3.4	3.3	3.2	(0.1)
BCI	1.7	1.7	1.7	-
Total	\$44.1	\$57.6	\$57.1	\$13.0
FTE	235.1	235.1	235.1	-
\$ in millions				

Programs

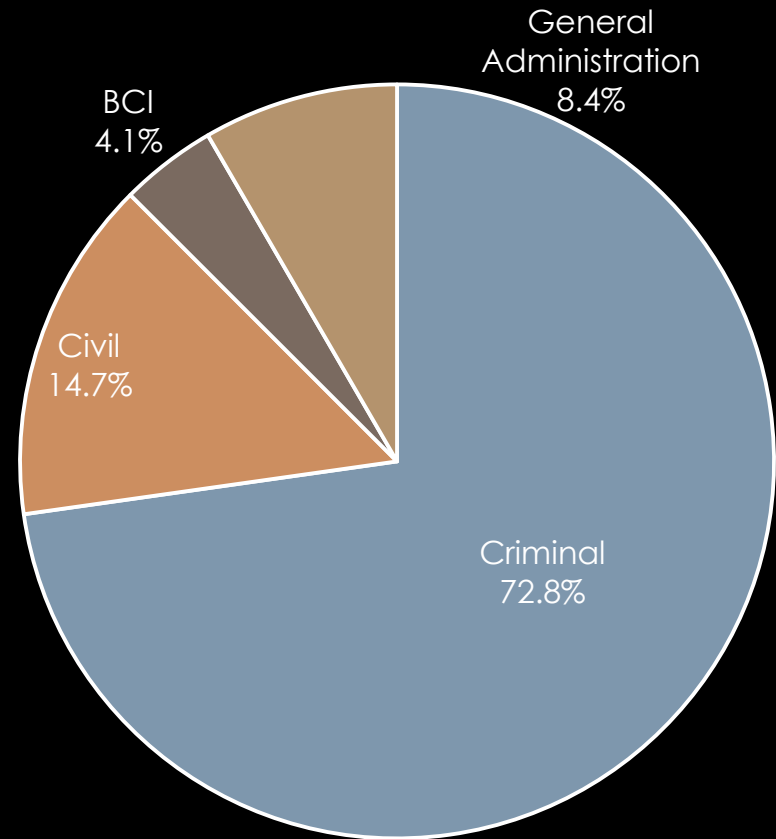
Divisions	FY 2018 Enacted	FY 2019 Request	FY 2019 Gov. Rec.	Change to Enacted
Criminal	\$33.2	\$30.2	\$29.7	(\$3.5)
Civil	5.9	6.5	6.0	0.1
General	3.4	3.5	3.4	0.1
BCI	1.7	1.9	1.7	-
Total	\$44.1	\$42.1	\$40.8	(\$3.3)
FTE	235.1	247.1	235.1	-
\$ in millions				

Recommendations by Program

FY 2018 Gov. Rev.



FY 2019 Gov. Rec.

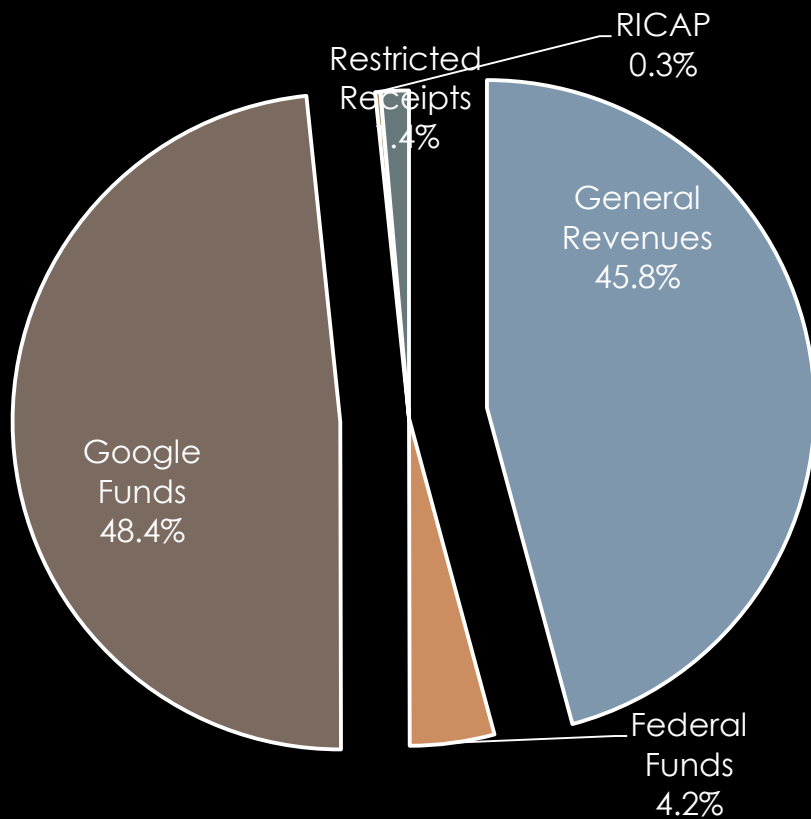


Governor's Recommendation

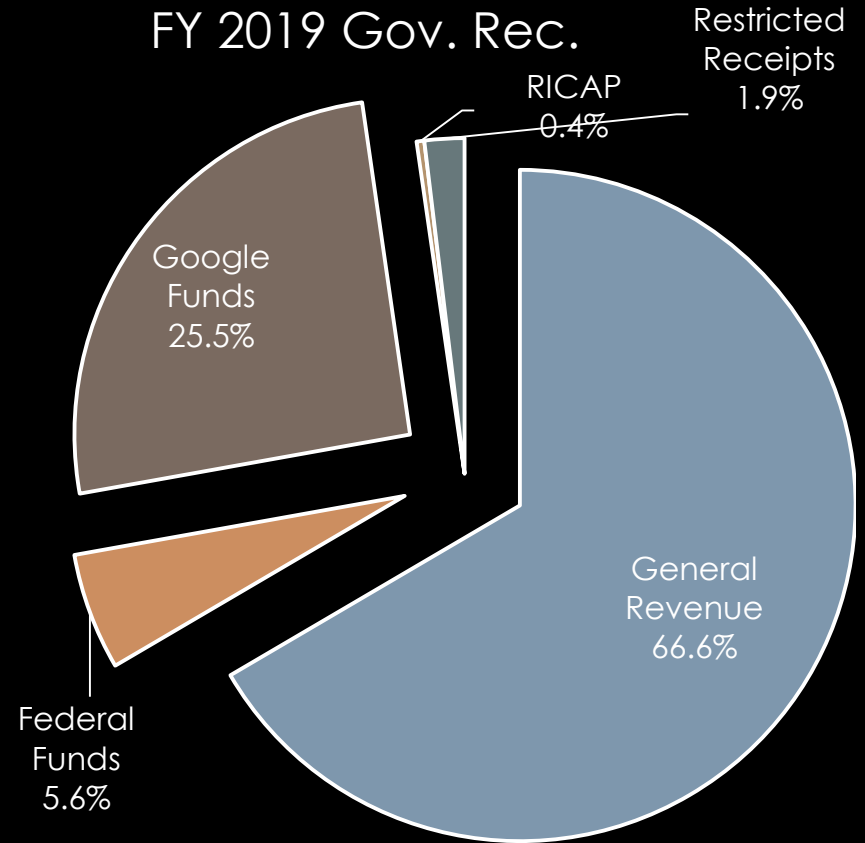
Category	FY 2018 Enacted	FY 2018 Revised	FY 2019 Rec.	Change to Enacted
Salaries & Benefits	\$26.4	\$26.0	\$26.7	\$0.2
Operating	2.4	2.7	2.8	0.4
Contracted Services	0.4	2.1	2.0	1.5
Capital	14.8	26.3	9.4	(5.4)
Total	\$44.1	\$57.1	\$40.8	(\$3.3)
\$ in millions				

Recommendations by Source

FY 2018 Gov. Rev.



FY 2019 Gov. Rec.



Budget Office Target

- General revenue target of \$23.8 million
 - Current service adjustments of \$0.2 million
 - 10.0% target reduction of \$2.6 million
 - Office included new positions
 - Eliminated new positions from the constrained budget
- Constrained budget is \$3.6 million above target
- Governor recommended budget exceeds target by \$3.3 million

Governor's FY 2018 Changes

	Gen. Rev	All Funds
Google Settlement	-	\$12,514,739
Medicaid Fraud Unit	62,500	812,500
Tobacco Litigation	(42,166)	(42,166)
PUC Review & Oversight	-	50,000
Health Care Review & Oversight	40,000	40,000
Salaries & Benefits	(215,574)	(407,192)
Other Operations	106,550	(7,986)
Total	(\$48,690)	\$12,959,895

Governor's FY 2019 Changes

	Gen. Rev.	All Funds
Google Settlement	\$-	(\$4,690,643)
Medicaid Fraud Unit	187,500	937,500
Transition Expenses	58,076	58,076
PUC Review & Oversight	-	51,500
Health Care Review & Oversight	41,200	41,200
Tobacco Litigation	(42,166)	(42,166)
Salaries and Benefits	553,777	203,964
Other Operations	159,584	107,878
Total	\$957,971	(\$3,332,691)

Google Settlement

- Office received \$60.0 million from settlement
- Spent \$15.7 million through FY 2017
 - Purchased new building & other repairs
- Governor includes \$27.6 million for FY 2018 & \$10.4 million for FY 2019

Google Settlement

- New customer service center at the Pastore Complex – \$15.0 million to complete construction
 - 24,000 square foot facility at 4 Howard Ave
 - In coordination with Department of Administration
 - Relocation for investigators, consumer protection and diversion units & background checks
 - Flexible office space and 6,000 square feet for future expansion and storage

Google Settlement

- FY 2018 or FY 2019 budgets do not include any operating expenses for the new building
 - Can use Google funds to support this
- Other projects:
 - Information technology upgrades & other renovations at 150 South Main Street
 - Repairs at its office space at Licht Judicial complex
- Remaining balance of \$6.3 million

Google Settlement

- Forfeiture funds received according to Federal Guide to Equitable Sharing
 - Must increase or supplement resources
 - Cannot replace or supplant existing resources
 - Expenditures must be pre-approved by the Department of Justice
 - Some latitude on programs and purchases in support of crime prevention and law enforcement

Google Settlement

- Uses include law enforcement investigations, training and equipment
- Drug awareness programs, community based programs and transfers to other law enforcement agencies

Medicaid Fraud Unit

- Governor's revised & FY 2019 budgets include funding to contract for a new data mining system
- \$1.0 million from all sources
 - \$750,000 from Medicaid
 - \$250,000 from general revenues
 - Funding over 2 years
 - \$62,500 for FY 2018 & \$187,500 for FY 2019
- Enhance unit's effort to combat fraud, waste & abuse in Medicaid program

Contracted Services

- Office of the Health Care Advocate
 - Governor includes \$40,000 for FY 2018 and \$41,200 for FY 2019
 - From general revenues
 - For contracted health care oversight assistance and monitoring of future mergers
 - Monitoring mergers that have been approved by the Attorney General and involve non-profit entities

Contracted Services

- Public Utilities Commission Review and Oversight
 - \$50,000 for FY 2018 & \$51,500 for FY 2019
 - From general revenues
 - Assist with Office's responsibilities to the Public Utilities Commission for investigations and filings before the Commission
 - Includes rate design and case review and oversight

Transition Expenses

- Governor includes \$58,076 for transition expenses
 - Current Attorney General is term limited
 - \$31,041 for transition staff
 - \$25,000 for equipment
 - \$2,035 for office equipment

Tobacco Litigation

- State was defending itself in a case brought by tobacco products manufacturers
 - Contesting enforcement of the agreement as it pertains to non-participating manufacturers
- Case is settled
 - Over tens years from 2004 through 2014
- Governor eliminates \$42,166 in both FY 2018 and FY 2019

Salaries and Benefits

	FY 2018 Enacted	Gov. Rev.	Gov. Rec.	Gov. to Enacted
General Revenues	\$24.1	\$23.9	\$24.7	\$0.6
Federal Funds	1.7	1.6	1.4	(0.3)
Restricted Receipts	0.6	0.6	0.6	-
Total	\$26.4	\$26.0	\$26.7	\$0.2
FTE	235.1	235.1	235.1	-

\$ in millions

Staffing

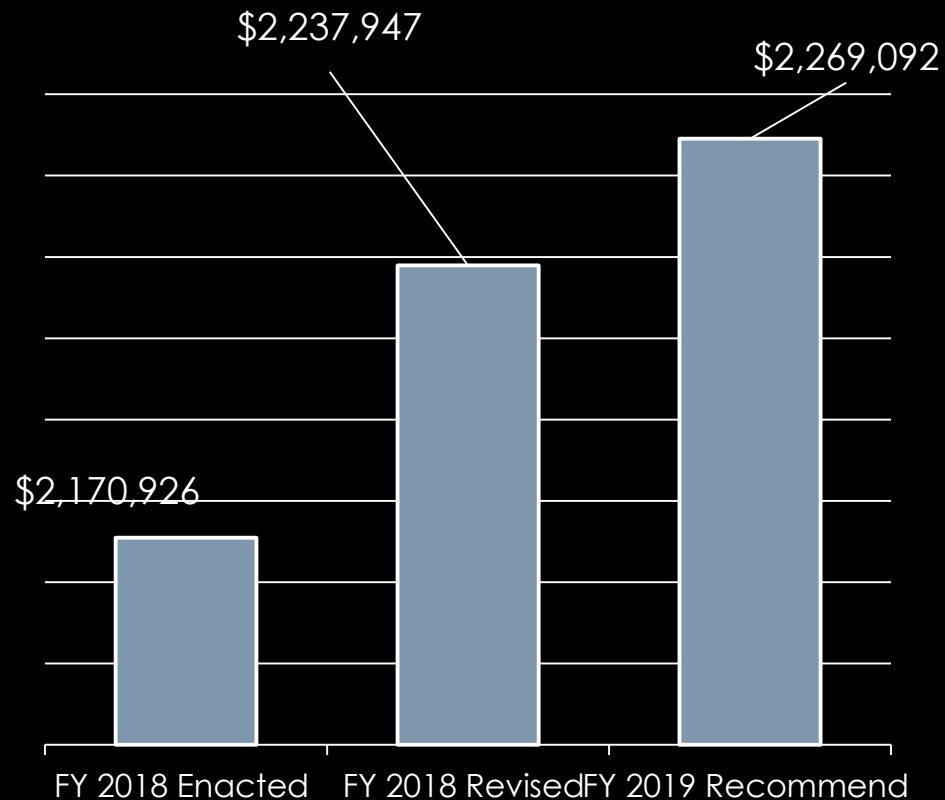
	FTEs	Chg. To Enacted
Enacted Authorized	235.1	-
FY 2018 Rev. Req.	235.1	-
FY 2019 Request	247.1	12.0
FY 2018 & 2019 Governor	235.1	-
FY 2017 Average Filled	232.1	(3.0)
Filled as of March 17 th	226.1	(9.0)

Staffing

- FY 2019 request adds 12.0 positions
 - Staff attorney, paralegals, investigator, fingerprint expert, operations clerk & legal secretary
 - \$1.0 million from general revenues
- The Governor did not recommend the requested new staffing

Other Operating

- Primarily from general revenues
- Increase in operating expenses in Criminal Division



Capital Projects

- Governor includes \$750,000 from RICAP for the five-year period
 - \$150,000 for FY 2018 revised
 - \$150,000 annually - FY 2019 through FY 2023
 - HVAC upgrades and office space renovations
 - Elevator and security system upgrades
 - Exterior re-pointing of the building
 - Building's piping infrastructure upgrades

Annual Reporting Requirements

- 2013 Assembly required OMB to prepare, review & inventory all reports filed w/Assembly
 - Report to be presented to Assembly as part of budget submission annually
- Office is in compliance with requirement to submit an annual report

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