

# Department of Banking

**DOB37000**

## Position Summary

Account	Actual FY 12	Governor Estimated FY 13	Governor Recommended		Legislative	
			FY 14	FY 15	FY 14	FY 15
Permanent Full-Time - BF	120	118	115	115	116	116

## Budget Summary

Account	Actual FY 12	Governor Estimated FY 13	Governor Recommended		Legislative	
			FY 14	FY 15	FY 14	FY 15
Personal Services	10,024,495	10,222,794	10,194,067	10,666,571	10,284,067	10,756,571
Other Expenses	1,300,548	1,482,802	1,460,390	1,454,990	1,466,890	1,461,490
Equipment	132,807	37,200	37,200	37,200	40,700	37,200
<b>Other Current Expenses</b>						
Fringe Benefits	6,265,109	7,054,228	7,141,112	7,477,660	7,201,412	7,537,960
Indirect Overhead	726,727	215,207	120,739	126,172	120,739	126,172
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>72,709</b>	<b>111,996</b>	<b>72,709</b>	<b>111,996</b>
<b>Agency Total - Banking Fund</b>	<b>18,449,686</b>	<b>19,012,231</b>	<b>19,026,217</b>	<b>19,874,589</b>	<b>19,186,517</b>	<b>20,031,389</b>
<b>Additional Funds Available</b>						
Private Contributions	301,029	0	0	0	0	0
<b>Agency Grand Total</b>	<b>18,750,715</b>	<b>19,012,231</b>	<b>19,026,217</b>	<b>19,874,589</b>	<b>19,186,518</b>	<b>20,031,389</b>

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

### Current Services

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	65,413	0	552,446	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>65,413</b>	<b>0</b>	<b>552,446</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Provide funding of \$65,413 in FY 14 and \$552,446 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### Legislative

Same as Governor

#### Apply Inflationary Increases

Other Expenses	0	34,080	0	76,478	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>34,080</b>	<b>0</b>	<b>76,478</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Background

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### Governor

Increase funding for various accounts by \$34,080 in FY 14 and an additional \$42,398 in FY 15 (for a cumulative total of \$76,478 in the second year) to reflect inflationary increases.

#### Legislative

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

**Adjust Fringe Benefits and Indirect Overhead**

Fringe Benefits	0	147,517	0	488,440	0	0	0	0
Indirect Overhead	0	(94,468)	0	(89,035)	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>53,049</b>	<b>0</b>	<b>399,405</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Background**

Non-General Fund agencies are budgeted directly for employee fringe benefits and indirect overhead.

**Governor**

Provide funding of \$53,049 in FY 14 and \$399,405 in FY 15 to ensure sufficient funds for fringe benefits and indirect overhead.

**Legislative**

Same as Governor

**Provide Funding for Increased Lease Costs**

Other Expenses	0	15,794	0	16,394	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>15,794</b>	<b>0</b>	<b>16,394</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Governor**

Provide funding of \$15,794 in FY 14 and \$16,394 in FY 15 for increased hosting charges by the Bureau of Enterprise Systems and Technology (BEST), a bureau within the Department of Administrative Services.

**Legislative**

Same as Governor

**Provide Funding for GAAP**

Nonfunctional - Change to Accruals	0	80,751	0	114,039	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>80,751</b>	<b>0</b>	<b>114,039</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Background**

Each agency’s budget will include a new line item account called “Nonfunctional – Change to Accruals”. This line item represents the estimate of the difference between an agency’s cash-basis budget amounts and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state’s GAAP deficit from growing.

**Governor**

Provide funding of \$80,751 in FY 14 and \$114,039 in FY 15 to reflect the implementation of GAAP in the budget.

**Legislative**

Same as Governor

**Policy Revisions**

**Eliminate Vacant Positions**

Personal Services	(3)	(86,619)	(3)	(92,869)	0	0	0	0
Fringe Benefits	0	(60,633)	0	(65,008)	0	0	0	0
<b>Total - Banking Fund</b>	<b>(3)</b>	<b>(147,252)</b>	<b>(3)</b>	<b>(157,877)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Governor**

Reduce funding by \$147,252 in FY 14 and \$157,877 in FY 15 to reflect the elimination of three positions that are currently vacant. The reduction includes \$86,619 in Personal Services and \$60,633 in Fringe Benefits in FY 14 and \$92,869 in Personal Services and \$65,008 in Fringe Benefits in FY 15.

**Legislative**

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(7,521)	0	(15,800)	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>(7,521)</b>	<b>0</b>	<b>(15,800)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Reduce funding by \$7,521 in FY 14 and \$15,800 in FY 15 to reflect the elimination of salary increases for appointed officials.

#### Legislative

Same as Governor

### Eliminate Inflationary Increases

Other Expenses	0	(34,080)	0	(76,478)	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>(34,080)</b>	<b>0</b>	<b>(76,478)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Reduce Other Expenses by \$34,080 in FY 14 and \$76,478 in FY 15 to reflect the elimination of inflationary increases.

#### Legislative

Same as Governor

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	(8,042)	0	(2,043)	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>(8,042)</b>	<b>0</b>	<b>(2,043)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Reduce funding by \$8,042 in FY 14 and \$2,043 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

#### Legislative

Same as Governor

### Transfer Funding - Centralize Courier & Mail Services in DAS

Other Expenses	0	(1,706)	0	(1,706)	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>(1,706)</b>	<b>0</b>	<b>(1,706)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Transfer funding of \$1,706 in both FY 14 and FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

#### Legislative

Same as Governor

### Reduce Funding for Other Expenses

Other Expenses	0	(36,500)	0	(42,500)	0	0	0	0
<b>Total - Banking Fund</b>	<b>0</b>	<b>(36,500)</b>	<b>0</b>	<b>(42,500)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Reduce funding for Other Expenses by \$36,500 in FY 14 and \$42,500 in FY 15 associated with reduced training support.

#### Legislative

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

**Provide Funding for Monitoring Exchange Facilitators**

Personal Services	1	90,000	1	90,000	1	90,000	1	90,000
Other Expenses	0	6,500	0	6,500	0	6,500	0	6,500
Equipment	0	3,500	0	0	0	3,500	0	0
Fringe Benefits	0	60,300	0	60,300	0	60,300	0	60,300
<b>Total - Banking Fund</b>	<b>1</b>	<b>160,300</b>	<b>1</b>	<b>156,800</b>	<b>1</b>	<b>160,300</b>	<b>1</b>	<b>156,800</b>

**Legislative**

Provide funding of \$160,300 in FY 14 and \$156,800 in FY 15 to provide consumer protection to clients of exchange facilitators for tax deferred exchanges. Funding supports one full-time and part-time Bank Examiner positions along with the associated fringe benefit costs and related one-time equipment. Staff will monitor the actions of exchange facilitators and ensure the standards for facilitated transactions are met. This supports PA 13-135, AAC Banks, Loan Production Offices, Exchange Facilitators, Public Deposits and Real Property Tax Liens.

**Totals**

Budget Components	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Governor Estimated - BF	118	19,012,231	118	19,012,231	0	0	0	0
Current Services	0	249,087	0	1,158,762	0	0	0	0
Policy Revisions	(2)	(74,801)	(2)	(139,604)	1	160,300	1	156,800
<b>Total Recommended - BF</b>	<b>116</b>	<b>19,186,517</b>	<b>116</b>	<b>20,031,389</b>	<b>1</b>	<b>160,300</b>	<b>1</b>	<b>156,800</b>