Louisiana Legislative Fiscal Office

FISCAL HIGHLIGHTS

Fiscal Year 2015-2016

Presented to:

The Honorable John A. Alario,
President of the Senate
The Honorable Chuck Kleckley,
Speaker of the House of Representatives
and Honorable Members of the Louisiana Legislature

Presented by:

Legislative Fiscal Office
John D. Carpenter, Legislative Fiscal Officer
Evan Brasseaux, LFO Staff Director

September 2015

This public document was published at a cost of $4.36 per book. 50 copies of this public document were published in this first printing for a total cost of $218.00. This document was published for the LA Legislative Fiscal Office, Post Office Box 44097, Baton Rouge, LA 70804 by the LA House of Representatives, Post Office Box 44486, Baton Rouge, LA 70804 in an effort to provide legislators, staff and the general public with an accurate summary of the 2015 Regular Session. This material was printed in accordance with the standard for printing by state agencies established pursuant to R.S. 43.31.

LEGISLATIVE FISCAL OFFICE STAFF

John D. Carpenter, Legislative Fiscal Officer
Evan Brasseaux, Staff Director
Debbie Roussel, Executive Assistant

Economic Section
Gregory V. Albrecht, Chief Economist
Deborah Vivien, Economist/Fiscal Analyst

Education Section
Jodi Mauroner, Section Director
Charley Rome, Fiscal Analyst
Monique Appeaning, Fiscal Analyst/Special Projects Coordinator

General Government Section
J. Travis McIlwain, Section Director
Matthew LaBruyere, Fiscal Analyst
Drew Danna, Fiscal Analyst
Zachary Rau, Fiscal Analyst

Health & Hospitals and Social Services Section
Shawn Hotstream, Section Director
Patrice Thomas, Fiscal Analyst
Alan Boxberger, Fiscal Analyst

Information Services Section
Willie Marie Scott, Section Director

Support Staff
Rachael Feigley
Jean M. Pedersen

Phone: (225) 342-7233

Fax: (225) 342-7243

Address: Post Office Box 44097;
Baton Rouge, LA 70804
or
900 North Third Street;
State Capitol Building, 18th Floor
Baton Rouge, LA 70802

Web Site: lfo.louisiana.gov

OVERVIEW OF THE LEGISLATIVE FISCAL OFFICE

The Legislative Fiscal Office is an independent agency created by statute (Act 169, 1973 R.S.) to provide factual and unbiased information to both the House of Representatives and the State Senate.

The Legislative Fiscal Office duties and functions include, but are not limited to the following:

Fiscal Information Provided to Individual Legislators - To provide assistance to individual legislators, committees of the Legislature and the entire Legislature. Legislators' individual requests are considered confidential and will remain confidential unless otherwise requested.

Budget Analysis - To analyze budgets prepared by the executive branch and make recommendations to the Joint Legislative Committee on the Budget, other committees and the Legislature.

Revenue and Expenditure Forecasting - To make continuous short and long range projections on revenues and expenditures (i.e., economic forecasting).

Committee Support - To review and evaluate requests/amendments for appropriations during the legislative sessions and make presentations to the House Appropriations Committee, the Senate Finance Committee and the Legislature. Answer the fiscal information requests of committees and individual legislators.

Fiscal Notes - To evaluate legislation for fiscal effect and provide fiscal notes detailing the effect on revenues and expenditures of such proposed legislation.

BA-7s - To review on a monthly basis requests for budget adjustments from state agencies and make recommendations to the Joint Legislative Committee on the Budget as to the merits of such requests.

Interim Emergency Board - To evaluate requests submitted to the Interim Emergency Board and to make recommendations of approval or disapproval to the Legislature of those requests.

Fiscal & Economic Impact Statements - To review on a monthly basis rules and regulations as submitted by the executive branch and to inform the Legislature and the public as to the fiscal and economic impact of such proposed rules and regulations.

Table of Contents

Table of Contents

Section I

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

REVENUE

Revenue Measures Enacted: A number of bills affecting state revenue collections were enacted this past legislative session. As a whole, these bills are estimated to generate $766.6 M of additional tax and fee revenue in FY 16. These additional revenues largely support the supplemental appropriations contained in Section 18(D) of the General Appropriations Bill (GAB). A substantial portion of those revenues, $471.9 M, will provide budget support through dedicated means of finance, leaving $255.5 M as SGF direct financing, and $39.2 M as agency SGR financing. The largest of the statutory dedication financings is $350 M of tax revenue deposited to the Higher Education Initiatives Fund and appropriated to support higher education budgets. In addition, a $106.4 M increase in the tax on cigarettes is dedicated to the Medicaid Program via the Tobacco Tax Medicaid Match Fund. Certain of these measures are temporary and contain taxpayer recoupment provisions such that by FY 20 they are expected to generate nearly one-half less revenue than is expected in FY 16.

Budget Stabilization Fund/Transportation Trust Fund: Two changes to the Budget Stabilization Fund (rainy day fund) resulted from the session, one statutory change and one proposed constitutional amendment. Act 257 (SB 122) increased the base amount of mineral revenue to $950 M per year, from $850 M. Excess mineral revenue received above the combined parish severance and royalty distributions and the base amount is subject to deposit into the Budget Stabilization Fund. To the extent there is excess mineral revenue, this increase in the base amount reserves up to an additional $100 M of those excess revenues for the SGF rather than subject them to deposit into the Budget Stabilization Fund. Act 275 (SB 221) redirects any such excess mineral revenue, up to $100 M, to the Transportation Trust Fund. However, based on the current mineral revenue outlook, there is no excess mineral revenue expected throughout the forecast horizon.

Act 473 (SB 202) and Act 465 (SB 259) are a proposed constitutional amendment and statutory companion which propose changes to the Budget Stabilization Fund, to be voted upon at the 10/24/2015 election. The existing Budget Stabilization Fund would become the Budget and Transportation Trust, composed of 2 subfunds, the Budget Stabilization Subfund and the Transportation Stabilization Subfund. Excess mineral revenue would first flow into the Budget Subfund until its balance is $500 M. In the following fiscal year, excess revenue would flow into the Transportation Subfund up to a $500 M balance. No deposits to either subfund are allowed in any fiscal year in which money from the subfunds are appropriated or incorporated into the official forecast, unless specifically appropriated into the subfunds. This provision attempts to avoid a problem with the current Budget Stabilization Fund where falling non-mineral revenue allows use of the Fund to support the budget, while at the same time excess mineral revenue exists that is diverted into the Fund and away from supporting the budget. This new structure allows excess mineral revenue to be utilized for transportation infrastructure by effectively capping the Budget Stabilization Fund at $500 M in its new subfund. This maximum level was likely achieved by the end of FY 15, making any excess mineral available to the Transportation Subfund in the following fiscal year. However, based on the REC mineral revenue outlook as of 8/14/2015, there is no excess mineral revenue expected throughout the forecast horizon.

FY 17 Replacement Financing Decision List: Although HR 7.19 contains a definition of "one-time money," the rule itself is not indicative of the financing decisions that will have to be made in FY 17 relative to the current structure of the FY 16 budget. Due to this issue, Table 9 provides a list of the significant potential FY 17 financing replacements that will have to be made as a result of the proposed FY 16 budget. There is approximately $542 M of resources contained with the FY 16 budget that will have to be replaced with another source in FY 17 or SGF will have to be utilized. ***See Tables 9 & 10 on Pages 11 & 12.***

FY 16 SGF Fiscal Status (Post Legislative Session): The various revenue measures enacted by the legislature during the 2015 legislative session have potential revenue interactions that are anticipated to reduce the aggregate total of the bills' fiscal notes by approximately $5.8 M. After accounting for these potential interactions, the FY 16 SGF budget appropriates approximately $4.6 M more than anticipated revenues. The Revenue Estimating Conference (REC) met on 8/14/2015 prior to the Joint Legislative Committee on the Budget (JLCB) to officially consider and adopt all session revenue actions relative to the current fiscal year and subsequent fiscal years' revenue forecast, which included these interactions. Therefore, the DOA presented a FY 16 SGF Fiscal Status Statement that identified the $4.6 M as an "*other adjustment*" needing to be implemented sometime in the future if the current revenue forecast remains static. However, the JLCB recommended that these reductions be processed. These pro-rata SGF reductions include $92,300 for Elected Officials, $752,070 for DHH and HCSD, $3,773,043 for Higher Education, and $117,604 for the Department of Education. ***Note: These reductions are not reflected in the Major Reductions Table nor discussed in the Major Increases/Enhancements Table due to factors associated with the BA-7 approval process.***

GENERAL GOVERNMENT

Oil Spill Settlements: On 7/2/2015, a settlement agreement in principle in the amount of $18.7 B was reached between British Petroleum (BP), the federal government and gulf coast states of Alabama, Florida, Louisiana, Mississippi and Texas. The settlement amount is made up of Natural Resource Damages claims ($7.3 B), Clean Water Act penalties ($5.5 B), state economic damage claims ($4.9 B) and local government claims ($1 B). Of the $18.7 B settlement, the state of Louisiana is expected to receive $6.8 B. The $6.8 B settlement consists of $5 B for Natural Resource Damages claims that will be spent on coastal restoration, $787 M in Clean Water Act penalties that will be spent on coastal restoration and $1 B in economic damages claims. As a result of Act 646 of 2014, the monies from economic damages settlements ($1 B) are to be deposited into the Economic Damages Collection Fund and distributed within 30 days as follows: 45% to the Budget Stabilization Fund (not to exceed statutory limit), 45% to the Medicaid Trust Fund for the Elderly (not to exceed $700 M) and 10% to the Health Trust Fund (up to $30 M).

GEMS Savings*:* Included within the FY 16 budget are GEMS budgetary reductions that equate to a total of $94.3 M in SGF ($163.2 M Total MOF). These budgetary reductions are associated with statewide initiatives such as procurement and human capital, agency specific GEMS adjustments and the creation of the Office of State Human Capital Management and the Office of State Procurement. ***See Page 113 for a summary of GEMS Savings.***

Office of Groups Benefits*:** As has been discussed from July 2014 – July 2015, the Office of Group Benefits (OGB) made significant changes to the health plan of benefits and health plan structure offered to its members. A timeline of these major changes and discussions is provided on Pages 64 - 65.***

Transportation Funding*:** Several legislative instruments passed during the 2015 Legislative Session focused on authorizing or redirecting additional financial resources for the states roads and bridges. Act 147 altered the taxation of liquefied natural gas, liquefied petroleum gas and compressed natural gas used in motor vehicles that operate on state highways. These fuels will now be taxed on an equivalency basis to more closely align with the gasoline tax. The act also reduced the allowable administrative discount for supplies or permissive suppliers, an action estimated to result in an increase of $6 M into the Transportation Trust Fund (TTF). Act 380 limits the amount of TTF that can be used by the Office of State Police for traffic control purposes. Act 431 creates a state infrastructure bank to act as a revolving loan program to assist governmental entities in financing road, bridge and transportation projects. A package of 4 legislative instruments will potentially redirect monies from the budget stabilization fund to be used for transportation purposes. ***See the Budget Stabilization Fund discussion in the Revenue Section on Page i.

HEALTH & HUMAN SERVICES

In FY 16 the Department of Health & Hospitals (DHH) is appropriated $8.38 B for the Medicaid Program (Medical Vendor Payments). Of this amount approximately $166.6 M is replacement revenue used as a state match source. This represents an overall increase of $270.7 M (3.3%) from the 12/1/2014 budget freeze date. The total increase from FY 16 is mainly the result of funding projected payment growth in the Hospital Public Private Partnerships, increase in federal funding for rural hospitals, waiver funding, and funding for LSU physician Upper Payment Limit (UPL) reimbursement. ***See Pages 85 – 88 for the Medicaid Program Overview.***

EDUCATION

Minimum Foundation Program (MFP): FY 16 funding includes combined adjustments of $84.7 M in both base and supplementary budget recommendations. The budget includes $34.4 M for enrollment adjustments for an estimated 4,748 new students, $6 M to align the formula with FY 15 baseline and $44.2 M for recommendations of the MFP Task Force. FY 16 funding totals $3.678 B ($3.391 B in SGF, $177.4 M from the Lottery Proceeds Fund and $109.7 M from the SELF Fund).

Citing budgetary concerns, the Senate Education Committee deferred the BESE recommended MFP formula (HCR 18). As such Act 16 base funding does not include the $36.2 M for the recommended per pupil increase (1.375%). Instead, this funding is included in the supplementary section; $20 M will be allocated from the Lottery Proceeds Fund using unclaimed prize monies. Additionally, $16.2 M is contingent on revenues generated from various instruments approved by the legislature or any additional revenues recognized by REC. This $36.2 M shall be allocated in the same manner as provided in the

FY 15 MFP Formula. ***See "Department of Education" overview on Pages 104 - 106 for additional information on education funding.***

Higher Education Funding: FY 16 funding for Higher Education totals $2.633 B ($652.5 M SGF, $37.5 M IAT, $1.326 B SGR, $533.7 M Statutory Dedications and $83 M Federal). FY 16 appropriated funding levels represent a slight reduction in formula funding for the institutions and an increase of $39.8 M (SGF) for the Office of Student Financial Assistance (OSFA) for the Taylor Opportunity Program for Students (TOPS) and Scholarships/Grant Program. TOPS funding totals $265.2 M, an increase of $15 M which partially funds the projected Grad Act tuition increases. Additionally, Act 16 contains $71.4 M (SGF) for institution specific initiatives: $16.1 M is contained in the base budget for LSU Health Sciences Center Shreveport for legacy costs resulting from the transfer of former public hospital facilities to the public/private partnerships. (The balance to fully fund these expenses is provided in the supplementary funding section.) The remaining $55.3 M contained in the supplementary section provides support for various institutions. ***See "Higher Education FY 16 Funding" overview on Pages 102 - 103 for additional information.***

Section II

BUDGET COMPARISONS

TABLE 1
TOTAL MEANS OF FINANCE BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive (a)	$2,449,440,931	$2,542,080,308	$2,276,375,600	($265,704,708)	(10.5%)
Veterans Affairs	$56,028,771	$60,184,970	$61,988,324	$1,803,354	3.0%
State	$66,583,208	$78,460,207	$81,641,218	$3,181,011	4.1%
Justice (a)	$58,433,403	$82,354,140	$70,013,270	($12,340,870)	(15.0%)
Lt. Governor	$5,679,346	$7,252,094	$7,091,380	($160,714)	(2.2%)
Treasury	$15,348,055	$11,944,365	$10,418,225	($1,526,140)	(12.8%)
Public Service Commission	$8,519,637	$10,004,767	$8,895,471	($1,109,296)	(11.1%)
Agriculture & Forestry	$67,339,706	$74,490,855	$75,136,916	$646,061	0.9%
Insurance	$29,254,089	$32,544,045	$30,566,573	($1,977,472)	(6.1%)
Economic Development (a)	$40,229,064	$60,734,505	$40,049,090	($20,685,415)	(34.1%)
Culture, Rec. & Tourism	$79,369,508	$87,575,887	$88,969,914	$1,394,027	1.6%
Transp. & Development	$558,532,903	$570,277,571	$575,742,292	$5,464,721	1.0%
Corrections Services (a)	$476,210,572	$530,504,632	$508,555,771	($21,948,861)	(4.1%)
Public Safety Services (a)	$392,311,227	$591,287,765	$446,362,437	($144,925,328)	(24.5%)
Youth Services	$116,445,409	$111,446,734	$115,246,865	$3,800,131	3.4%
Health & Hospitals	$8,726,263,825	$9,590,690,783	$9,667,684,140	$76,993,357	0.8%
Children & Family Services (a)	$629,030,269	$777,588,295	$717,455,509	($60,132,786)	(7.7%)
Natural Resources (a)	$64,052,601	$86,964,615	$72,775,923	($14,188,692)	(16.3%)
Revenue (a)	$89,625,873	$109,413,364	$96,055,147	($13,358,217)	(12.2%)
Environmental Quality (a)	$99,525,747	$131,635,879	$114,721,953	($16,913,926)	(12.8%)
LA Workforce Commission	$241,956,077	$281,944,510	$286,902,058	$4,957,548	1.8%
Wildlife & Fisheries (a)	$129,554,513	$215,213,272	$174,725,092	($40,488,180)	(18.8%)
Civil Service	$17,122,342	$18,985,501	$19,971,290	$985,789	5.2%
Retirement Systems (a)	$8,044,399	$14,925,579	$0	($14,925,579)	(100.0%)
Higher Education	$2,503,197,692	$2,626,054,418	$2,633,405,151	$7,350,733	0.3%
Special Schools & Comm.	$85,284,162	$92,364,793	$90,889,314	($1,475,479)	(1.6%)
Elem. & Secondary Ed	$5,051,609,626	$5,279,252,843	$5,336,212,924	$56,960,081	1.1%
Health Care Srvc. Division (a)	$95,654,187	$131,024,302	$79,640,192	($51,384,110)	(39.2%)
Other Requirements (a)	$759,210,355	$819,780,709	$779,546,425	($40,234,284)	(4.9%)
General Appropriation Total	**$22,919,857,497**	**$25,026,981,708**	**$24,467,038,464**	**($559,943,244)**	**(2.2%)**
Ancillary	$1,798,451,052	$2,156,582,636	$2,171,336,192	$14,753,556	0.7%
Judiciary	$153,628,411	$175,998,230	$179,603,192	$3,604,962	2.0%
Legislative	$98,448,770	$110,678,550	$108,306,875	($2,371,675)	(2.1%)
Capital Outlay - Cash Portion (a)	$1,056,497,716	$1,822,033,602	$1,211,465,719	($610,567,883)	(33.5%)
Other Approp. Bills' Total	**$3,107,025,949**	**$4,265,293,018**	**$3,670,711,978**	**($594,581,040)**	**(13.9%)**
Non-Approp. Required (a)	**$751,714,021**	**$434,711,229**	**$357,226,517**	**($77,484,712)**	**(17.8%)**
Grand Total	**$26,778,597,467**	**$29,726,985,955**	**$28,494,976,959**	**($1,232,008,996)**	**(4.1%)**

(1) Budgeted as of June 30, 2015.

(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

(a) See Endnotes on pages 9 - 10.

TABLE 2
TOTAL STATE EFFORT BY DEPARTMENT
(TOTAL STATE EFFORT = TOTAL MOF - IAT & FED)

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive	$505,766,219	$482,580,960	$421,223,657	($61,357,303)	(12.7%)
Veterans Affairs	$20,775,313	$21,816,512	$21,384,146	($432,366)	(2.0%)
State	$66,347,594	$78,112,477	$81,403,405	$3,290,928	4.2%
Justice	$26,431,338	$35,776,566	$40,960,142	$5,183,576	14.5%
Lt. Governor	$1,518,006	$1,417,839	$1,250,907	($166,932)	(11.8%)
Treasury	$13,719,603	$10,355,868	$8,997,102	($1,358,766)	(13.1%)
Public Service Commisson	$8,372,064	$9,729,731	$8,895,471	($834,260)	(8.6%)
Agriculture & Forestry	$60,785,467	$65,844,009	$66,323,196	$479,187	0.7%
Insurance	$28,198,686	$30,702,361	$28,723,883	($1,978,478)	(6.4%)
Economic Development	$37,213,601	$47,224,194	$37,749,090	($9,475,104)	(20.1%)
Culture, Rec. & Tourism	$68,142,101	$74,121,894	$75,696,133	$1,574,239	2.1%
Transp. & Development	$538,775,254	$530,316,176	$541,034,481	$10,718,305	2.0%
Corrections Services	$470,891,042	$512,022,912	$502,320,027	($9,702,885)	(1.9%)
Public Safety Services	$322,550,350	$499,822,769	$360,780,591	($139,042,178)	(27.8%)
Youth Services	$92,474,447	$96,044,875	$97,395,110	$1,350,235	1.4%
Health & Hospitals	$3,117,191,328	$3,406,255,377	$3,349,567,109	($56,688,268)	(1.7%)
Children & Family Services	$157,718,771	$156,245,130	$163,114,608	$6,869,478	4.4%
Natural Resources	$34,759,207	$41,787,995	$37,526,977	($4,261,018)	(10.2%)
Revenue	$89,132,692	$108,334,572	$95,305,346	($13,029,226)	(12.0%)
Environmental Quality	$80,945,968	$108,687,976	$94,471,007	($14,216,969)	(13.1%)
LA Workforce Commission	$100,964,424	$108,114,616	$119,831,390	$11,716,774	10.8%
Wildlife & Fisheries	$95,376,277	$123,276,540	$123,341,291	$64,751	0.1%
Civil Service	$6,662,253	$8,352,730	$8,402,245	$49,515	0.6%
Retirement	$8,044,399	$14,925,579	$0	($14,925,579)	(100.0%)
Higher Education	$2,322,090,456	$2,488,106,759	$2,512,801,061	$24,694,302	1.0%
Special Schools & Comm.	$64,474,808	$67,723,927	$66,978,959	($744,968)	(1.1%)
Elem. & Secondary Ed	$3,793,907,176	$3,881,849,383	$3,884,470,414	$2,621,031	0.1%
Health Care Srvc. Division	$41,761,611	$87,334,298	$43,296,473	($44,037,825)	(50.4%)
Other Requirements	$712,859,074	$770,303,675	$729,826,976	($40,476,699)	(5.3%)
General Appropriation Total	**$12,887,849,529**	**$13,867,187,700**	**$13,523,071,197**	**($344,116,503)**	**(2.5%)**
Ancillary	$1,536,925,018	$1,606,881,175	$1,618,117,942	$11,236,767	0.7%
Judiciary	$153,628,411	$165,561,730	$170,210,342	$4,648,612	2.8%
Legislative	$98,448,770	$110,678,550	$108,306,875	($2,371,675)	(2.1%)
Capital Outlay - Cash Portion	$998,748,480	$1,335,817,207	$950,389,564	($385,427,643)	(28.9%)
Other Approp. Bills' Total	**$2,787,750,679**	**$3,218,938,662**	**$2,847,024,723**	**($371,913,939)**	**(11.6%)**
Non-Approp. Required	**$751,714,021**	**$434,711,229**	**$357,226,517**	**($77,484,712)**	**(17.8%)**
Grand Total	**$16,427,314,229**	**$17,520,837,591**	**$16,727,322,437**	**($793,515,154)**	**(4.5%)**

(1) Budgeted as of June 30, 2015.

(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

TABLE 3
STATE GENERAL FUND BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive	$135,190,218	$152,413,043	$121,497,463	($30,915,580)	(20.3%)
Veterans Affairs	$4,859,677	$5,509,827	$5,268,618	($241,209)	(4.4%)
State	$38,649,084	$51,078,825	$55,304,538	$4,225,713	8.3%
Justice	$7,025,600	$14,086,907	$11,639,853	($2,447,054)	(17.4%)
Lt. Governor	$1,508,206	$1,407,839	$1,240,907	($166,932)	(11.9%)
Treasury	$0	$0	$0	$0	0.0%
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$25,310,405	$24,978,022	$25,218,301	$240,279	1.0%
Insurance	$0	$0	$0	$0	0.0%
Economic Development	$14,756,068	$17,051,943	$16,089,622	($962,321)	(5.6%)
Culture, Rec. & Tourism	$33,097,504	$34,524,376	$38,238,779	$3,714,403	10.8%
Transp. & Development	$0	$0	$0	$0	0.0%
Corrections Services	$432,435,466	$470,730,900	$462,086,382	($8,644,518)	(1.8%)
Public Safety Services	$396,639	$8,328,019	$0	($8,328,019)	(100.0%)
Youth Services	$91,568,887	$95,284,065	$96,470,601	$1,186,536	1.2%
Health & Hospitals	$2,230,111,000	$2,159,975,469	$2,750,281,415	$590,305,946	27.3%
Children & Family Services	$143,938,604	$136,927,826	$144,341,187	$7,413,361	5.4%
Natural Resources	$7,321,457	$11,347,943	$8,251,107	($3,096,836)	(27.3%)
Revenue	$0	$1,375,682	$0	($1,375,682)	(100.0%)
Environmental Quality	$474,735	$485,469	$460,700	($24,769)	(5.1%)
LA Workforce Commission	$8,163,582	$8,163,120	$8,163,120	$0	0.0%
Wildlife & Fisheries	$0	$0	$0	$0	0.0%
Civil Service	$4,750,206	$5,417,337	$5,261,126	($156,211)	(2.9%)
Retirement	$8,044,399	$8,925,579	$0	($8,925,579)	(100.0%)
Higher Education	$535,257,074	$919,202,994	$652,511,192	($266,691,802)	(29.0%)
Special Schools & Comm.	$40,072,400	$40,050,569	$38,816,575	($1,233,994)	(3.1%)
Elem. & Secondary Ed	$3,473,563,485	$3,512,063,049	$3,525,804,678	$13,741,629	0.4%
Health Care Srvc. Division	$7,612,504	$3,860,659	$37,262,084	$33,401,425	865.2%
Other Requirements	$490,769,603	$473,615,560	$485,927,949	$12,312,389	2.6%
General Appropriation Total	**$7,734,876,803**	**$8,156,805,022**	**$8,490,136,197**	**$333,331,175**	**4.1%**
Ancillary	$319,048	$0	$0	$0	0.0%
Judiciary	$147,338,908	$155,338,908	$159,838,908	$4,500,000	2.9%
Legislative	$69,263,933	$73,352,811	$73,352,811	$0	0.0%
Capital Outlay - Cash Portion	$0	$0	$0	$0	0.0%
Other Approp. Bills' Total	**$216,921,889**	**$228,691,719**	**$233,191,719**	**$4,500,000**	**2.0%**
Non-Approp. Required	**$613,294,689**	**$329,411,229**	**$285,155,251**	**($44,255,978)**	**(13.4%)**
Grand Total	**$8,565,093,381**	**$8,714,907,970**	**$9,008,483,167**	**$293,575,197**	**3.4%**

(1) Budgeted as of June 30, 2015.

(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

TABLE 4
INTERAGENCY TRANSFERS BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive	$158,667,344	$134,692,991	$74,054,300	($60,638,691)	(45.0%)
Veterans Affairs	$1,014,673	$1,310,979	$1,555,603	$244,624	18.7%
State	$235,614	$347,730	$237,813	($109,917)	(31.6%)
Justice	$27,207,549	$38,609,169	$21,302,807	($17,306,362)	(44.8%)
Lt. Governor	$128,015	$325,000	$329,132	$4,132	1.3%
Treasury	$1,628,452	$1,588,497	$1,421,123	($167,374)	(10.5%)
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$739,733	$636,945	$636,945	$0	0.0%
Insurance	$145,702	$0	$0	$0	0.0%
Economic Development	$1,150,793	$2,900,000	$2,300,000	($600,000)	(20.7%)
Culture, Rec. & Tourism	$5,915,368	$5,984,791	$5,755,462	($229,329)	(3.8%)
Transp. & Development	$5,256,158	$13,199,984	$11,910,000	($1,289,984)	(9.8%)
Corrections Services	$4,053,626	$17,001,023	$4,755,047	($12,245,976)	(72.0%)
Public Safety Services	$33,550,832	$38,743,061	$38,036,571	($706,490)	(1.8%)
Youth Services	$23,079,166	$13,305,402	$16,959,959	$3,654,557	27.5%
Health & Hospitals	$347,156,178	$431,469,424	$451,483,478	$20,014,054	4.6%
Children & Family Services	$6,468,374	$16,058,417	$44,217,734	$28,159,317	175.4%
Natural Resources	$19,540,371	$23,448,786	$18,726,573	($4,722,213)	(20.1%)
Revenue	$183,788	$750,000	$749,801	($199)	(0.0%)
Environmental Quality	$1,014,574	$1,200,100	$350,000	($850,100)	(70.8%)
LA Workforce Commission	$1,212,977	$1,836,339	$4,595,368	$2,759,029	150.2%
Wildlife & Fisheries	$5,996,912	$14,439,950	$6,093,264	($8,346,686)	(57.8%)
Civil Service	$10,460,089	$10,632,771	$11,569,045	$936,274	8.8%
Retirement	$0	$0	$0	$0	0.0%
Higher Education	$71,412,498	$36,415,056	$37,546,031	$1,130,975	3.1%
Special Schools & Comm.	$20,782,632	$24,535,780	$23,805,269	($730,511)	(3.0%)
Elem. & Secondary Ed	$236,018,594	$311,082,990	$355,742,646	$44,659,656	14.4%
Health Care Srvc. Division	$43,595,800	$38,889,668	$31,543,383	($7,346,285)	(18.9%)
Other Requirements	$42,977,946	$45,295,774	$44,673,189	($622,585)	(1.4%)
General Approp. Total	**$1,069,593,758**	**$1,224,700,627**	**$1,210,350,543**	**($14,350,084)**	**(1.2%)**
Ancillary	$261,526,034	$549,701,461	$553,218,250	$3,516,789	0.6%
Judiciary	$0	$10,436,500	$9,392,850	($1,043,650)	(10.0%)
Legislative	$0	$0	$0	$0	0.0%
Capital Outlay - Cash Portion	$26,787,724	$273,200,152	$27,600,012	($245,600,140)	(89.9%)
Other Approp. Bills' Total	**$288,313,758**	**$833,338,113**	**$590,211,112**	**($243,127,001)**	**(29.2%)**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$1,357,907,516**	**$2,058,038,740**	**$1,800,561,655**	**($257,477,085)**	**(12.5%)**

(1) Budgeted as of June 30, 2015.
(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

TABLE 5
SELF GENERATED REVENUE BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive	$126,868,858	$167,888,531	$140,348,269	($27,540,262)	(16.4%)
Veterans Affairs	$15,839,869	$16,191,157	$16,000,000	($191,157)	(1.2%)
State	$26,287,176	$26,519,574	$25,584,789	($934,785)	(3.5%)
Justice	$5,023,826	$6,437,474	$6,887,280	$449,806	7.0%
Lt. Governor	$9,800	$10,000	$10,000	$0	0.0%
Treasury	$8,250,602	$8,567,314	$8,139,506	($427,808)	(5.0%)
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$5,478,626	$8,708,770	$7,282,424	($1,426,346)	(16.4%)
Insurance	$26,875,725	$29,250,119	$27,291,090	($1,959,029)	(6.7%)
Economic Development	$2,578,479	$3,574,439	$2,614,739	($959,700)	(26.8%)
Culture, Rec. & Tourism	$24,893,332	$25,564,962	$27,030,395	$1,465,433	5.7%
Transp. & Development	$24,492,396	$26,254,679	$28,184,037	$1,929,358	7.3%
Corrections Services	$38,401,576	$41,238,012	$40,179,645	($1,058,367)	(2.6%)
Public Safety Services	$126,604,383	$142,036,451	$132,043,013	($9,993,438)	(7.0%)
Youth Services	$802,729	$588,810	$775,487	$186,677	31.7%
Health & Hospitals	$190,638,530	$245,552,756	$180,268,358	($65,284,398)	(26.6%)
Children & Family Services	$12,727,531	$17,517,760	$17,517,760	$0	0.0%
Natural Resources	$70,512	$345,079	$343,750	($1,329)	(0.4%)
Revenue	$85,942,107	$106,270,139	$94,755,887	($11,514,252)	(10.8%)
Environmental Quality	$21,994	$90,000	$24,790	($65,210)	(72.5%)
LA Workforce Commission	$77,463	$272,219	$272,219	$0	0.0%
Wildlife & Fisheries	$2,917,263	$9,738,958	$5,266,234	($4,472,724)	(45.9%)
Civil Service	$70,326	$874,637	$1,020,434	$145,797	16.7%
Retirement	$0	$0	$0	$0	0.0%
Higher Education	$1,201,401,183	$1,367,785,171	$1,326,614,704	($41,170,467)	(3.0%)
Special Schools & Comm.	$2,287,198	$3,067,633	$3,055,133	($12,500)	(0.4%)
Elem. & Secondary Ed	$43,498,766	$57,970,667	$57,422,846	($547,821)	(0.9%)
Health Care Srvc. Division	$14,149,107	$83,473,639	$6,034,389	($77,439,250)	(92.8%)
Other Requirements	$7,470,226	$11,464,554	$8,832,200	($2,632,354)	(23.0%)
General Appropriation Total	**$1,993,679,583**	**$2,407,253,504**	**$2,163,799,378**	**($243,454,126)**	**(10.1%)**
Ancillary	$1,444,488,172	$1,485,881,175	$1,497,117,942	$11,236,767	0.8%
Judiciary	$0	$0	$0	$0	0.0%
Legislative	$23,379,566	$27,324,676	$24,954,064	($2,370,612)	(8.7%)
Capital Outlay - Cash Portion	$121,618,184	$121,354,300	$156,477,000	$35,122,700	28.9%
Other Approp. Bills' Total	**$1,589,485,922**	**$1,634,560,151**	**$1,678,549,006**	**$43,988,855**	**2.7%**
Non-Approp. Required	**$4,563,971**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$3,587,729,476**	**$4,041,813,655**	**$3,842,348,384**	**($199,465,271)**	**(4.9%)**

(1) Budgeted as of June 30, 2015.

(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

TABLE 6
STATUTORY DEDICATIONS BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive	$243,128,100	$162,035,934	$159,377,925	($2,658,009)	(1.6%)
Veterans Affairs	$75,767	$115,528	$115,528	$0	0.0%
State	$1,411,334	$514,078	$514,078	$0	0.0%
Justice	$14,381,912	$15,252,185	$22,433,009	$7,180,824	47.1%
Lt. Governor	$0	$0	$0	$0	0.0%
Treasury	$5,469,001	$1,788,554	$857,596	($930,958)	(52.1%)
Public Service Commisson	$8,372,064	$9,729,731	$8,895,471	($834,260)	(8.6%)
Agriculture & Forestry	$29,996,436	$32,157,217	$33,822,471	$1,665,254	5.2%
Insurance	$1,322,961	$1,452,242	$1,432,793	($19,449)	(1.3%)
Economic Development	$19,879,054	$26,597,812	$19,044,729	($7,553,083)	(28.4%)
Culture, Rec. & Tourism	$10,151,265	$14,032,556	$10,426,959	($3,605,597)	(25.7%)
Transp. & Development	$514,282,858	$504,061,497	$512,850,444	$8,788,947	1.7%
Corrections Services	$54,000	$54,000	$54,000	$0	0.0%
Public Safety Services	$195,549,328	$349,458,299	$228,737,578	($120,720,721)	(34.5%)
Youth Services	$102,831	$172,000	$149,022	($22,978)	(13.4%)
Health & Hospitals	$696,441,798	$1,000,727,152	$419,017,336	($581,709,816)	(58.1%)
Children & Family Services	$1,052,636	$1,799,544	$1,255,661	($543,883)	(30.2%)
Natural Resources	$27,367,238	$30,094,973	$28,932,120	($1,162,853)	(3.9%)
Revenue	$3,190,585	$688,751	$549,459	($139,292)	(20.2%)
Environmental Quality	$80,449,239	$108,112,507	$93,985,517	($14,126,990)	(13.1%)
LA Workforce Commission	$92,723,379	$99,679,277	$111,396,051	$11,716,774	11.8%
Wildlife & Fisheries	$92,459,014	$113,537,582	$118,075,057	$4,537,475	4.0%
Civil Service	$1,841,721	$2,060,756	$2,120,685	$59,929	2.9%
Retirement	$0	$6,000,000	$0	($6,000,000)	(100.0%)
Higher Education	$585,432,199	$201,118,593	$533,675,165	$332,556,572	165.4%
Special Schools & Comm.	$22,115,210	$24,605,725	$25,107,251	$501,526	2.0%
Elem. & Secondary Ed	$276,844,925	$311,815,667	$301,242,890	($10,572,777)	(3.4%)
Health Care Srvc. Division	$20,000,000	$0	$0	$0	0.0%
Other Requirements	$214,619,245	$285,223,561	$235,066,827	($50,156,734)	(17.6%)
General Appropriation Total	**$3,158,714,100**	**$3,302,885,721**	**$2,869,135,622**	**($433,750,099)**	**(13.1%)**
Ancillary	$92,117,798	$121,000,000	$121,000,000	$0	0.0%
Judiciary	$6,289,503	$10,222,822	$10,371,434	$148,612	1.5%
Legislative	$5,805,271	$10,001,063	$10,000,000	($1,063)	(0.0%)
Capital Outlay - Cash Portion	$877,130,296	$1,214,462,907	$793,912,564	($420,550,343)	(34.6%)
Other Approp. Bills' Total	**$981,342,868**	**$1,355,686,792**	**$935,283,998**	**($420,402,794)**	**(31.0%)**
Non-Approp. Required	**$133,855,361**	**$105,300,000**	**$72,071,266**	**($33,228,734)**	**(31.6%)**
Grand Total	**$4,273,912,329**	**$4,763,872,513**	**$3,876,490,886**	**($887,381,627)**	**(18.6%)**

(1) Budgeted as of June 30, 2015.
(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

TABLE 7
INTERIM EMERGENCY BOARD FUNDS DISTRIBUTED BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive (a)	$579,043	$243,452	$0	($243,452)	(100.0%)
Veterans Affairs	$0	$0	$0	$0	0.0%
State	$0	$0	$0	$0	0.0%
Justice	$0	$0	$0	$0	0.0%
Lt. Governor	$0	$0	$0	$0	0.0%
Treasury	$0	$0	$0	$0	0.0%
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$0	$0	$0	$0	0.0%
Insurance	$0	$0	$0	$0	0.0%
Economic Development	$0	$0	$0	$0	0.0%
Culture, Rec. & Tourism	$0	$0	$0	$0	0.0%
Transp. & Development	$0	$0	$0	$0	0.0%
Corrections Services	$0	$0	$0	$0	0.0%
Public Safety Services	$0	$0	$0	$0	0.0%
Youth Services	$0	$0	$0	$0	0.0%
Health & Hospitals	$0	$0	$0	$0	0.0%
Children & Family Services	$0	$0	$0	$0	0.0%
Natural Resources	$0	$0	$0	$0	0.0%
Revenue	$0	$0	$0	$0	0.0%
Environmental Quality	$0	$0	$0	$0	0.0%
LA Workforce Commission	$0	$0	$0	$0	0.0%
Wildlife & Fisheries	$0	$0	$0	$0	0.0%
Civil Service	$0	$0	$0	$0	0.0%
Retirement	$0	$0	$0	$0	0.0%
Higher Education	$0	$0	$0	$0	0.0%
Special Schools & Comm.	$0	$0	$0	$0	0.0%
Elem. & Secondary Ed	$0	$0	$0	$0	0.0%
Health Care Srvc. Division	$0	$0	$0	$0	0.0%
Other Requirements	$0	$0	$0	$0	0.0%
General Appropriation Total	**$579,043**	**$243,452**	**$0**	**($243,452)**	**(100.0%)**
Ancillary	$0	$0	$0	$0	0.0%
Judiciary	$0	$0	$0	$0	0.0%
Legislative	$0	$0	$0	$0	0.0%
Capital Outlay - Cash Portion	$0	$0	$0	$0	0.0%
Other Approp. Bills' Total	**$0**	**$0**	**$0**	**$0**	**0.0%**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$579,043**	**$243,452**	**$0**	**($243,452)**	**(100.0%)**

(1) Budgeted as of June 30, 2015.

(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

(a) The FY 15 budgeted amount consist of 2 previously approved projects carried forward in previous fiscal years. The projects includes the Freshwater Bayou and Schooner Bayou projects in Vermilion Parish approved in FY 12 ($34,641) and the remaining state match for public assistance grants originally approved in FY 08 ($208,811).

TABLE 8
FEDERAL FUNDS BY DEPARTMENT

DEPARTMENT	Actual FY 14	Budgeted FY 15 (1)	Appropriated FY 16 (2)	Change FY 15 to FY 16 Amount	Change FY 15 to FY 16 Percent
Executive	$1,785,007,368	$1,924,806,357	$1,781,097,643	($143,708,714)	(7.5%)
Veterans Affairs	$34,238,785	$37,057,479	$39,048,575	$1,991,096	5.4%
State	$0	$0	$0	$0	0.0%
Justice	$4,794,516	$7,968,405	$7,750,321	($218,084)	(2.7%)
Lt. Governor	$4,033,325	$5,509,255	$5,511,341	$2,086	0.0%
Treasury	$0	$0	$0	$0	0.0%
Public Service Commisson	$147,573	$275,036	$0	($275,036)	(100.0%)
Agriculture & Forestry	$5,814,506	$8,009,901	$8,176,775	$166,874	2.1%
Insurance	$909,701	$1,841,684	$1,842,690	$1,006	0.1%
Economic Development	$1,864,670	$10,610,311	$0	($10,610,311)	(100.0%)
Culture, Rec. & Tourism	$5,312,039	$7,469,202	$7,518,319	$49,117	0.7%
Transp. & Development	$14,501,491	$26,761,411	$22,797,811	($3,963,600)	(14.8%)
Corrections Services	$1,265,904	$1,480,697	$1,480,697	$0	0.0%
Public Safety Services	$36,210,045	$52,721,935	$47,545,275	($5,176,660)	(9.8%)
Youth Services	$891,796	$2,096,457	$891,796	($1,204,661)	(57.5%)
Health & Hospitals	$5,261,916,319	$5,752,965,982	$5,866,633,553	$113,667,571	2.0%
Children & Family Services	$464,843,124	$605,284,748	$510,123,167	($95,161,581)	(15.7%)
Natural Resources	$9,753,023	$21,727,834	$16,522,373	($5,205,461)	(24.0%)
Revenue	$309,393	$328,792	$0	($328,792)	(100.0%)
Environmental Quality	$17,565,205	$21,747,803	$19,900,946	($1,846,857)	(8.5%)
LA Workforce Commission	$139,778,676	$171,993,555	$162,475,300	($9,518,255)	(5.5%)
Wildlife & Fisheries	$28,181,324	$77,496,782	$45,290,537	($32,206,245)	(41.6%)
Civil Service	$0	$0	$0	$0	0.0%
Retirement	$0	$0	$0	$0	0.0%
Higher Education	$109,694,738	$101,532,604	$83,058,059	($18,474,545)	(18.2%)
Special Schools & Comm.	$26,722	$105,086	$105,086	$0	0.0%
Elem. & Secondary Ed	$1,021,683,856	$1,086,320,470	$1,095,999,864	$9,679,394	0.9%
Health Care Srvc. Division	$10,296,776	$4,800,336	$4,800,336	$0	0.0%
Other Requirements	$3,373,335	$4,181,260	$5,046,260	$865,000	20.7%
General Appropriation Total	**$8,962,414,210**	**$9,935,093,382**	**$9,733,616,724**	**($201,476,658)**	**(2.0%)**
Ancillary	$0	$0	$0	$0	0.0%
Judiciary	$0	$0	$0	$0	0.0%
Legislative	$0	$0	$0	$0	0.0%
Capital Outlay - Cash Portion	$30,961,512	$213,016,243	$233,476,143	$20,459,900	9.6%
Other Approp. Bills' Total	**$30,961,512**	**$213,016,243**	**$233,476,143**	**$20,459,900**	**9.6%**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$8,993,375,722**	**$10,148,109,625**	**$9,967,092,867**	**($181,016,758)**	**(1.8%)**

(1) Budgeted as of June 30, 2015.

(2) Appropriated in Act 16 of 2015 Regular Session. Does not include carry-forward BA-7s.

ENDNOTES

Executive – The majority of the $265.7 M total means of finance decrease is due to the removal of excess federal budget authority within the Community Development Block Grant (CDBG) Program, Disaster Recovery Unit (DRU) related to Katrina/Rita and Gustav/Ike grants.

Justice – The decrease in IAT authority is a result of non-recurring expenditures of $14.4 M related to the BP Oil Spill.

Economic Development – The decrease in the Economic Development budget is due primarily to non-recurring a $10 M federal appropriation related to a grant with the U.S. Department of Treasury for the State Small Business Credit Initiative Program. The grant appropriation was subsequently included as a FY 16 carry forward and is now budgeted at $6.5 M in FY 16, which is the remaining amount of the grant.

Corrections Services – The $21.9 M net decrease is due to a $16.9 M reduction in SGF for offender healthcare to align revenue with actual projected expenditures ($12 M) and GEMS initiatives ($4.9 M); $6 M IAT reduction that was for a FEMA reimbursement associated with Hurricane Gustav; and $1 M SGR increase for offender telephone commissions.

Public Safety Services – The total means of finance decreased by $144.4 M due to the result of non-recurring $146.3 M for expenses related to the BP Oil Spill.

Children & Family Services – The decrease in total means of financing is primarily attributed to the transfer of $62,601,801 of Child Care Development Fund (CCDF) block grant funding to the Department of Education pursuant to Act 868 of 2014.

Natural Resources – The total means of financing decreased by $14.2 M (16.2%) primarily due to reductions in federal funding, IAT, and statutory dedications. Federal energy grants were reduced by approximately $5.8 M, the statutorily dedicated Oil Site Restoration Fund was reduced by an additional $2.5 M, and $3.7 M in IAT was reduced as a result of separating back office functions with the Department of Wildlife & Fisheries (LDWF) and the Department of Environmental Quality (DEQ). In previous years, back office functions of DNR, LDWF, and DEQ were shared by all 3 agencies to improve efficiency.

Revenue – The primary reasons for the decrease in FY 16 SGR funding for the Department of Revenue are computer system upgrades that were only required in FY 15. In addition, the amnesty programs of FY 14 and FY 15 provided a framework and knowledge base to implement the FY 16 amnesty utilizing fewer departmental resources.

Environmental Quality – The net decrease in funding is primarily attributed to a decrease in Statutory Dedications ($16 M) derived from the Environmental Trust Fund ($6.1 M, Motor Fuels Underground Tank Fund ($6 M) and Hazardous Waste Site Cleanup Fund ($3.5 M).

Wildlife & Fisheries – The $40.5 M (18.8%) reduction in total financing is mostly attributed to the reductions of federal funding from ending Supplemental Appropriations for LA Tasks (SALT) grants associated with recovery from hurricanes Katrina and Rita and reducing IAT transfers from Public Safety to Wildlife & Fisheries for projects related to the Deepwater Horizon oil spill.

Retirement Systems – The decrease in SGF is the result of one-time funding from the FY 13 surplus for the LA State Employees' Retirement System ($4.5 M) and the Teachers' Retirement System of LA ($10.4 M) to make a payment to each system's unfunded accrued liability in FY 15.

Health Care Services Division – The total appropriation to the LSU Health Care Services Division (HCSD) in FY 16 decreased by $51.4 M total MOF, or 39.2% below FY 15. The Executive Administration & General Support Program was moved on budget in FY 15 and subsequently taken back off budget in FY 16. The total budget for this program in FY 15 included $77.4 M in SGR associated with services provided to private partner hospitals and the entire amount was moved off budget. An additional $10 M IAT FY 15 transfer from DHH to address legacy costs such as retiree group insurance premiums was removed from the program and supplanted with $27.1 M SGF and $6.3 M SGF Supplementary Funding. The Lallie Kemp Regional Medical Center received an increase in IAT budget authority totaling $2.7 M for additional Uncompensated Care Cost Funding (UCC) to be received from DHH, reflecting anticipated uncompensated care service levels projected in FY 16.

Other Requirements – The net decrease in funding is primarily attributed to an increase in SGF ($12 M); and a decrease in SGR ($2.6 M) and Statutory Dedications ($50.2 M).

Capital Outlay – The decrease in capital outlay allocation is primarily attributed to a decrease in IAT ($245.6 M), Statutory Dedications ($420.6 M) and Federal funds ($20.5 M); and a $35.1 M increase in SGR.

ONE-TIME MONEY FOR FY 16

Pursuant to House Rule 7.19, the Legislative Fiscal Office (LFO) is required to submit a report to the House of Representatives, which indicates whether the appropriation bill appropriates one-time money within the Act 16 (HB 1). **Based upon Act 16 (HB 1) and Act 121 (HB 566—Funds Bill), there is no ($0) one-time money as defined in House Rule 7.19 for FY 16.** In addition, the LFO is providing a discussion of the FY 17 financing decisions that will have to be made in FY 17 as a result of the current structure of the FY 16 operating budget.

HR 7.19 One-Time Money: Pursuant to HR 7.19(C)(2), the threshold calculation is the difference between the FY 16 SGF forecast of $8,596.3 B and FY 17 SGF forecast of $8,812.7 B, which equates to $216.4 M of SGF revenue growth. The amount of one-time funds, as defined by HR 7.19, allowed to be appropriated in HB 1 for FY 16 expenditure is approximately $216.4 M. As mentioned above, there is no one-time money as defined in House Rule 7.19.

FY 17 Replacement Financing Decision List: Although HR 7.19 contains a definition of "one-time money," the rule itself is not indicative of the financing decisions that will have to be made in FY 17 relative to the current structure of the FY 16 operating budget. Due to this issue, the LFO is not only providing information relative to HR 7.19, we are also providing you with a list of the significant potential FY 17 financing replacements that will have to made as a result of the proposed FY 16 budget. Table 9 below is a listing of resources being utilized in FY 16 that will likely require another revenue source in FY 17. The $542 M of financing needs are in addition to any other continuation budget requirements not yet resolved in the FY 16 budget. These additional funding requirements will likely result in an FY 17 anticipated funding shortage that could exceed $542 M. The $542 M of potential financing replacement in FY 17 is a reduction compared to the amount of FY 16 financing replacement of approximately $1 B.

TABLE 9

State Agency	Potential Financing Replacement in FY 17	FY 16 Funding Sources
Medicaid Program	$52,000,000	2013 Tax Amnesty Fund
Medicaid Program	$114,556,548	Overcollections Fund (Various Sources)
Debt Defeasance - SGF	$124,958,094	FY 14 Cash Position
Bond Premium - SGF	$29,041,496	Net Bond Premium from 2014 D Sale
Bond Premium - SGF	$37,720,878	Net Bond Premium from 2015 A&B Sale
WISE	$24,300,000	CDBG Hurricane Disaster Recovery Funds
HCR 8 - SGF*	$103,000,000	Suspends business utilities exemptions from adoption to 60 days after the 2016 Regular Legislative Session.
Riverboat Gaming Enforcement Fund transfer into SGF	$18,800,000	HB 566 transfer into the SGF (fund sweep)
LA Fire Marshal Fund transfer into SGF	$4,000,000	HB 566 transfer into the SGF (fund sweep)
Environmental Trust Fund Transfer into SGF	$2,000,000	HB 566 transfer into the SGF (fund sweep)
Hazardous Waste Site Clean up Fund transfer into SGF	$2,500,000	HB 566 transfer into the SGF (fund sweep)
Insurance Verification Fund transfer into SGF	$3,000,000	HB 566 transfer into the SGF (fund sweep)
MFP	$5,900,000	Lottery Reserves (LA Lottery Corporation)
MFP	$20,000,000	Unclaimed prizes (LA Lottery Corporation)
TOTAL	**$541,777,016**	

House Rule 7.19 Resources Versus Replacement Financing Decision List

Although HR 7.19 contains a definition of "one-time money," the rule does not clearly identify the significant financing decisions that will have to be made in the next budget year. Due to this issue, during the 2014 Legislative Session (FY 15 budget development process), the LFO not only provided the legislature the HR 7.19 list to comply with the House Rule, but also provided a list of significant potential FY 16 financing replacements as a result of the development of the FY 15 budget. The LFO continued this approach during the 2015 Legislative Session (FY 16 budget development process) by providing an FY 17 Resource Replacement List, which is depicted on the previous page. For context, the Table 10 below provides a comparison of HR 7.19 defined resources in the budget to the replacement financing needs. In all cases, the HR 7.19 definition of "one-time" money is not indicative of the all the resources contained in the budget that may require other resources in the subsequent fiscal year.

TABLE 10

	HR 7.19 Defined One-time Resources	Replacement Financing Need for Next FY
FY 12 Budget	$315.8	$547.6
FY 13 Budget	$272.5	$443.5
FY 14 Budget*	$86.5	$582.6
FY 15 Budget*	$50.5	$1,182.2
FY 16 Budget*	$0.0	$541.8

Source: Prior year Division of Administration (DOA) continuation budget documents & LFO fiscal highlights documents.

TABLE 11
NUMBER OF POSITIONS BY DEPARTMENT

DEPARTMENT	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Budgeted 2014-15 (h)	Approp. 2015-16 (h)	Change 2014-15 to 2015-16
Executive	1,951	2,046	2,064	2,114	2,327	2,187	2,146	2,311	2,262	2,182	2,777	2,011	1,876	(135)
Veterans Affairs (a)	410	556	554	642	830	809	816	825	830	835	839	840	838	(2)
State	229	285	290	328	348	342	337	335	317	317	315	313	313	0
Justice	431	516	509	524	531	521	507	503	480	474	472	467	479	12
Lt. Governor	9	13	13	14	28	28	25	11	8	8	7	7	7	0
Treasury	56	60	60	60	65	66	63	61	59	58	57	54	54	0
Public Service Commission	122	122	122	122	122	94	103	97	97	97	97	97	97	0
Agriculture & Forestry	822	831	805	798	829	785	710	685	644	625	582	555	553	(2)
Insurance	273	277	277	280	289	281	274	267	265	263	258	243	225	(18)
Economic Development	101	100	99	100	119	131	131	128	124	122	116	113	110	(3)
Culture, Rec., & Tourism	693	734	768	773	785	787	770	694	630	633	633	616	616	0
Transp. & Development	5,271	5,154	5,137	4,998	4,872	4,837	4,704	4,524	4,494	4,322	4,233	4,220	4,194	(26)
Corrections Services	6,423	6,352	6,113	6,172	6,517	6,124	5,985	5,761	5,284	4,853	4,740	4,716	4,684	(32)
Public Safety Services	2,940	2,854	2,837	2,844	2,936	2,889	2,812	2,862	2,675	2,681	2,522	2,452	2,414	(38)
Youth Services (b)	1,492	1,362	1,310	1,277	1,358	1,275	1,187	1,111	1,056	990	986	877	996	119
Health & Hospitals (c)	12,857	12,274	12,078	12,064	12,324	11,634	11,322	9,247	8,458	6,718	5,776 (c)	5,613	5,502	(111)
Children & Family Services	5,323	5,269	5,193	5,169	5,242	5,057	4,595	4,389	4,082	3,960	3,617	3,481	3,409	(72)
Natural Resources	496	508	494	495	507	510	508	380	380	367	361	335	324	(11)
Revenue	942	929	928	934	947	877	819	820	802	792	738	715	700	(15)
Environmental Quality	1,018	1,021	1,020	986	994	933	933	847	805	762	701	681	677	(4)
LA Workforce Commission	1,208	1,208	1,196	1,107	1,091	1,063	1,263	1,219	1,191	1,155	993	938	923	(15)
Wildlife & Fisheries	786	797	798	795	802	800	783	775	775	777	773	753	773	20
Civil Service	176	175	174	167	172	187	189	212	212	213	163	161	169	8
Retirement Systems (d)	306	307	307	307	358	357	357	356	356	340	339	336	332	(4)
Higher Education (e)	34,400	35,024	34,117	33,115	34,489	35,231	34,082	34,697	27,703	24,866	20,472	19,972	19,483	(489)
Special Schools & Comm.	1,045	1,073	1,051	979	875	868	806	774	750	748	730	730	724	(6)
Dept. of Education	1,022	900	831	818	857	747	739	682	654	596	534	516	490	(26)
Health Care Srvc Division (g)	0	0	0	0	0	0	0	7,215 (f)	6,929	6,329	331 (g)	331	331	0
Approp. Bill Total	**80,802**	**80,747**	**79,145**	**77,982**	**80,614**	**79,420**	**76,966**	**81,788**	**72,322**	**66,083**	**54,162**	**52,143**	**51,293**	(850)
Ancillary Bill (i)	837	966	968	958	984	956	801	815	711	516	418	1,148	1,507 (i)	359
Total with Ancillary	**81,639**	**81,713**	**80,113**	**78,940**	**81,598**	**80,376**	**77,767**	**82,603**	**73,033**	**66,599**	**54,580**	**53,291**	**52,800**	(491)

(a) FY 04 is Veterans Affairs first fiscal year as a department.
(b) Act 7 of 2004 created Youth Services as an independent organizational unit in the Department of Public Safety & Corrections.
(c) In FY 14 the Office of Behavioral Health, Office of Public Health and Office for Citizens with Developmental Disabilities realized a reduction in positions.
(d) Funding for Retirement Systems operating budgets are no longer appropriated. Figures reflect positions budgeted by the systems.
(e) Colleges and universities do not have authorized position numbers prior to FY 11. Higher education positions prior to FY 11 are from Civil Service reports showing the number of filled full-time equivalent positions.
The reduction in positions in Higher Education for FY 14 is a result of the public/private partnerships with E.A. Conway Medical Center, Huey P. Long Medical Center, and LSU Shreveport.
(f) FY 11 is the first year all MOF & T.O. within HCSD were included in Executive Budget & general appropriations bill.
(g) In FY 14 HCSD eliminated positions due to the annualization of FY 13 mid-year cuts (1,251) and the privatization of public hospitals at the end of FY 13 (4,747)
(h) Act 16 of 2015 (HB 1) includes the number of Other Charges positions within each Schedule #, however the numbers listed are exclusive of those positions (1,900).
(i) FY 16 budget includes the creation of a new ancillary state agency, Office of State Human Capital Management, to centralize HR functions within one agency.

TABLE 12

Capital Outlay Appropriation Act 26 of 2015

Means of Finance Category	Appropriation Less Vetoed Items
Cash Section	
State General Fund (Direct)	$0
Interagency Transfers	$27,600,012
Self-Generated Revenues	$156,477,000
Statutory Dedications	
Coastal Protection & Restoration Fund	$42,155,620
Conservation Fund	$3,310,928
Crescent City Transition Fund	2,600,000
Debt Recovery Fund	$17,000,000
Rockefeller Wildlife Refuge & Game Preserve Fund	$16,149,756
Russell Sage Fund #2	$6,055,312
State Hwy Improvement Fund	$32,900,000
Transportation Trust Fund - Regular	$114,326,858
Transportation Trust Fund - Federal	$559,414,090
Total Statutory Dedications	**$793,912,564**
Federal Funds	$233,476,143
Reappropriated Cash	$10,828,082
Reappropriated Interest Earnings	$1,913,118
Revenue Bonds	$216,560,000
TOTAL CASH SECTION	**$1,440,766,919**
General Obligation Bond Section	
Priority 1	$1,434,220,500
Priority 2	$391,399,658
Priority 3	$800,000
Priority 4	$0
Priority 5	$2,080,284,000
TOTAL GENERAL OBLIGATION BONDS	**$3,906,704,158**
Bonds NRP/RBP	**$58,246,959**
Act 26 of 2015	**$5,405,718,036**

TABLE 13

Capital Outlay Bill
Three-Year Comparison

Cash Section	Act 24 of 2013 FY 14	Act 25 of 2014 FY 15	Act 26 of 2015 FY 16	Difference FY 15 to 16
General Fund	$0	$0	$0	$0
Reappropriated Cash	$19,894,500	$13,622,939	$10,828,082	($2,794,857)
Interagency Transfer	$25,347,724	$417,841,541	$27,600,012	($390,241,529)
Self-Generated Revenues	$113,833,489	$112,642,000	$156,477,000	$43,835,000
Federal (Includes TTF-Federal)	$731,731,462	$800,472,022	$792,890,233	($7,581,789)
Transportation Trust Fund (TTF-Regular)	$90,872,190	$94,734,140	$114,326,858	$19,592,718
Tran. Infra. Model for Econ. Dev. (TIMED)	$0	$0	$0	$0
Other Statutory Dedication	$73,791,400	$330,974,874	$120,171,616	($210,803,258)
Revenue Bonds	$165,950,000	$185,875,000	$216,560,000	$30,685,000
Reappropriations of Interest Earnings	$134,348	$0	$1,913,118	$1,913,118
Total Cash Section	**$1,221,555,113**	**$1,956,162,516**	**$1,440,766,919**	**($515,395,597)**
General Obligation (G. O.) Bond Section				
Priority I	$1,721,470,000	$1,548,346,100	$1,434,220,500	($114,125,600)
Priority II	$351,125,000	$445,385,800	$391,399,658	($53,986,142)
Priority III	$0	$0	$800,000	$800,000
Priority IV	$0	$0	$0	$0
Priority V	$1,386,390,000	$1,943,550,000	$2,080,284,000	$136,734,000
Total G. O. Bond Section	**$3,458,985,000**	**$3,937,281,900**	**$3,906,704,158**	**($30,577,742)**
NRP/RBP *	$10,455,700	$66,740,048	$58,246,959	($8,493,089)
Total Capital Outlay Bill Less Vetoes	**$4,690,995,813**	**$5,960,184,464**	**$5,405,718,036**	**($554,466,428)**

Notes:
The Capital Outlay Appropriations for each year above are net of items vetoed by the Governor.
The Federal means of finance category includes Federal Funds and Transportation Trust Funds-Federal.

*NRP (Not Requiring a Priority) is the allocation of previously sold bonds.
*RBP (Reimbursement Bond Proceeds) is the appropriation of funding made available from prepayments of reimbursement bond contracts.

Section III

FISCAL ACTIONS

2015 REGULAR SESSION

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	SESSION ACTIONS - REVENUE						
Motor Fuels Tax							
Act 147 Regular Session SB 271	Converts the taxation basis for CNG and LPG from a self-reporting flat payment basis to gallon equivalent fuels tax basis collected as pumped. Also, reduces the discounts provided for timely filing and remittance.	$0	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000
Corporate Income & Franchise Tax							
Act 125 Regular Session HB 629	Reduces selected tax credits by 28%. Applicable to all returns filed after 7/1/2015 through 6/30/2018. Returns filed pursuant to an extension can recoup the credit amount denied in FY 16 evenly over the 3 subsequent fiscal years. Amended returns are not affected. Certain tax incentive programs are affected only with new applications after 7/1/2015.	$0	$31,500,000	$33,500,000	$27,600,000	($2,900,000)	($3,600,000)
Act 123 Regular Session HB 624	Reduces selected tax deductions/exclusions by 28%. Applicable to all returns filed after 7/1/2015 through 6/30/2018. Returns filed pursuant to an extension can recoup the credit amount denied in FY 16 evenly over the 3 subsequent years, beginning with returns filed for calendar year 2017. Amended returns are not affected.	$0	$122,000,000	$122,000,000	$85,000,000	($37,000,000)	($37,000,000)
Act 103 Regular Session HB 218	Eliminates the tax carry-back deduction of net operating losses. Applicable to all returns filed after 7/1/2015. Amended returns are not affected.	$0	$29,000,000	$29,000,000	$29,000,000	$29,000,000	$29,000,000
Acts 123 & 103 Regular Session HBs 624 & 218	Net operating loss deductions are restricted in both bills. HB 218 eliminates the carry-back option entirely, while HB 624 limits the deduction by 28%. The interaction of the 2 bills reduces their gross effect by some $8 M in each of the years that HB 624 is effective.	$0	($8,000,000)	($8,000,000)	($8,000,000)	$0	$0
Act 126 Regular Session HB 635	Reduces selected tax rebates by 20%. Primarily affects the Quality Jobs and Enterprise Zone programs. Applicable to applications after 7/1/2015 through 6/30/2018. Also permanently excludes retail and restaurants & drinking establishments from the EZ program for new applications after 7/1/2015. Advance notifications prior to 7/1/2015 retain benefits, but must wait until 7/1/2016 to first claim them. Supercedes the provisions of HB 466.	$0	$5,000,000	($900,000)	$12,200,000	$18,400,000	$20,400,000

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Act 133 Regular Session HB 805	Allows credit for local ad valorem tax paid on inventory to offset state tax liability, and refunds 75% of the balance of the credit. The remaining 25% of the credit is allowed to be carried forward for five subsequent tax periods. Tax filers with less than $10,000 of credit are exempt, and a research & development credit is converted from a refundable credit to a nonrefundable credit with a 5-year carry-forward. Applicable to all returns filed after 7/1/2015. Amended returns are not affected.	$0	$129,000,000	$138,000,000	$146,000,000	$156,000,000	$166,000,000
Act 131 Regular Session HB 779	Makes various changes to the solar tax credit program including providing program caps that are expected to reduce the amount of tax credit allowed in each fiscal year.	$0	$19,000,000	$13,000,000	$23,000,000	$0	$0
Act 134 Regular Session HB 829	Caps the realizations of credits and transfers to the state at $180 M per year for the next 3 fiscal years; FY 16, FY 17, and FY 18. Suspends transfers to the state for the next fiscal year. Makes various other changes to program parameters. Effective 7/1/2015.	$0	$77,000,000	$70,000,000	$70,000,000	$0	$0
Act 112 Regular Session HB 449	Provides for the sale of aircraft in the sales factor of the apportionment calculation of aircraft manufacturing firms. Makes the location of sale be the location where the aircraft is primarily stored. Out-of-state sales will lower the factor, while in-state sales will increase the factor. The net effect is unknown.	$0	Unknown	Unknown	Unknown	Unknown	Unknown
Act 142 Regular Session SB 102	Limits film tax credits to Above the Line services expenditures that are no more than 40% of total project production expenditures. Effective for applications received on or after 7/1/2015.	$0	$0	INCREASE	INCREASE	INCREASE	INCREASE
Act 143 Regular Session SB 103	Excludes certain expenditures associated with airfare, bond fees, insurance premiums, finance fees, loan interest fees, or similar payments from eligibility to generate film tax credits. Effective for applications received on or after 7/1/2016.	$0	$0	$0	INCREASE	INCREASE	INCREASE
Act 129 Regular Session HB 748	Makes various changes/codifications to the film tax credit program. Expands the costs of the program after 1/1/2016 by allowing marketing expenditures to qualify for the generation of tax credits.	$0	$0	DECREASE	DECREASE	DECREASE	DECREASE
Act 104 Regular Session HB 244	Extends the Angel Investor Tax Credit Program to 7/1/2017.	$0	$0	$0	$0	($1,000,000)	($2,000,000)

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14) and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Act 108 Regular Session HB 387	Extends the tax credit for rehabilitation expenses associated with historic nonresidential and rental property through 2021. Excludes certain state or federal project funding from the credits, and also reduces the existing 25% credit to 20% for expenses incurred after 1/1/2018.	$0	$0	$0	$0	($9,000,000)	($36,000,000)
Act 117 Regular Session HB 508	Creates a pilot program granting a deduction for 50% of the wages paid to qualified disabled individuals for the first 4 continous months of employment, dropping to 30% for all months after. The program allows 100 qualified persons to participate. Effective upon governor's signature.	$0	($12,500)	($25,000)	($25,000)	($25,000)	($25,000)
Individual Income Tax							
Act 109 Regular Session HB 402	Equalizes the tax credit allowed for taxes paid in other states to the tax that would be paid in LA had the income in question been subject to tax in the state. Applicable to all returns filed after 7/1/2015. Returns filed pursuant to an extension can recoup the credit amount denied in FY 16 evenly over the 3 subsequent fiscal years. However, the entire bill terminates at the end of FY 18, before the 3rd year of recoupment can complete. Amended returns are not affected.	$0	$34,000,000	$34,000,000	$27,800,000	$0	$0
Act 140 Regular Session SB 93	Prohibits receipt of the $25 per child tax credit if the tax filer claims the deduction for private school tuition. Applicable to tax years beginning on or after 1/1/2015.	$0	$2,300,000	$2,300,000	$2,300,000	$2,300,000	$2,300,000
Sales Tax, General							
Regular Session HCR 8	Suspends exemption for business utilities to 1% of state sales tax for one year.	$0	$107,200,000	$0	$0	$0	$0
Act 102 Regular Session HB 207	Exempts from state sales tax bakery products sold at grocery stores, bakeries, and donut shops regardless of whether facilities are furnished for consumption on the premises. 7/1/2015.	$0	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Act 39 Regular Session HB 12	Dedicates the state's sales tax on hotel/motel room rentals to the Grant Parish Economic Development Fund.	$0	($5,000)	($5,000)	($5,000)	($5,000)	($5,000)

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Act 107 Regular Session HB 336	Authorizes the imposition of the state sales tax on vehicles if the purpose of a foreign busniess owning the vehicle is to avoid the tax, and the tax would be due had the business been formed in the state.	$0	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE
Severance Tax							
Act 120 Regular Session HB 549	Limits the oil & natural gas severance tax exemption granted to production from horizontally drilled wells based on the average monthly NYMEX price in 12 months prior to July 1st each year. That price has to achieve $70/bbl or $4.50/mmbtu before the tax exemption begins to phase down. That price has to exceed $110/bbl or $7.00/mmbtu for the tax exemption to be 0%. Applicable to production occurring on or after 7/1/2015.	$0	$0	$0	$0	$0	$0
Tobacco Tax							
Act 94 Regular Session HB 119	Increases tax on cigarettes by 50¢ per pack, and subjects vapor products to a tax of 5¢ per milliliter of consumable nicotine solution. Effective 7/1/2015.	$0	$106,400,000	$107,400,000	$107,400,000	$107,400,000	$107,400,000
Agency Self-Generated Revenue Overcollections							
Act 274 Regular Session SB 216	Authorizes the LA Insurance Guaranty Association to make a one-time transfer, with respect to FY 15, of excess funds as determined by the association.	$74,000,000	$0	$0	$0	$0	$0
Excise License Tax (Premium Tax)							
Act 386 Regular Session HB 259	Expands the surplus lines tax base to inlcude out-of-state premiums where LA is the home state of the policyholder and reduces the tax rate on all surplus lines premiums from 5% to 4.85%. The bill excludes premiums paid by certain political subdivisions based on population; possibly excluding Orleans, Jefferson, and East Baton Rouge parishes. This limitation to the base expansion likely results in a net negative effect on premium tax collections.	$0	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Vehicle Certificates of Title							
Act 110 Regular Session HB 445	Increases certificate of title tax and salvage title tax from $18.50 to $68.50.	$0	$59,500,000	$59,500,000	$59,500,000	$59,500,000	$59,500,000
	Total Adjustments To Major State Tax, License And Fee Estimates	**$74,000,000**	**$719,882,500**	**$605,770,000**	**$587,770,000**	**$328,670,000**	**$311,970,000**

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	SESSION ACTIONS - DEDICATIONS						
Tourism Promotion District							
Regular Session HCR 8	Suspends exemption for business utilities to 1% of state sales tax for one year, a portion of which flows to the Tourism Promotion District.	$0	$4,200,000	$0	$0	$0	$0
Tobacco Tax Medicaid Match Fund							
Act 94 Regular Session HB 119	Dedicates tax increases on cigarettes (50¢ per pack) and vapor products (5¢ per militer of consumable nicotine solution) to the newly created Tobacco Tax Medicaid Match Fund. Effective 7/1/2015.	$0	$106,400,000	$107,400,000	$107,400,000	$107,400,000	$107,400,000
	Due to the negative behavioral response to the cigarette tax increase of the bill, 2 other dedications will likley lose revenue. (A) The Tobacco Tax Health Care Fund - $2.2 M (B) The Tobacco Regualtion Enforcement Fund - $46,000	$0 $0	($2,200,000) ($46,000)	($2,200,000) ($46,000)	($2,200,000) ($46,000)	($2,200,000) ($46,000)	($2,200,000) ($46,000)
Budget Stabilization Fund							
Act 257 Regular Session SB 122	Increases the base threshold, above which excess mineral revenue is subject to deposit into the Budget Stabilization Fund from the current $850 M level to $950 M. Based on curret law and mineral revenue projections, the bill first directs excess mineral revenue away from the Budget Stabilization Fund and into the SGF in FY 18 and beyond. Effective upon governor's signature.	$0	$0	$0	($4,400,000)	($7,200,000)	($9,300,000)
Transportation Trust Fund							
Act 275 Regular Session SB 221	Requires transfers into the TTF of general fund receipts attributable to SB 122 of 2015 (Act 257 above), as determined by the REC. The maximum amount to be transferred each year is $100 M, and implementation begins with FY 18. The bill also eliminates the contingent dedication of vehicle sales tax to the TTF. Contingent upon SB 122 becoming effective.	$0	$0	$0	$4,400,000	$7,200,000	$9,300,000
Transportation Stabilization SubFund of the Budget and Transportation Trust							
Act 473, 465 Regular Session SB 202 / SB 259	Effectively redirects excess mineral revenue away from the Budget Stabilization Fund (subfund) and into the Transportation Stabilization Fund (subfund) of the new combined Budget and Transportaion Trust. Based on curret law and mineral revenue projections, the bill first redirects excess mineral revenue in FY 18 and beyond, in the amonts of $4.4 M in FY 18, $7.2 M in FY 19, and $9.3 M in FY 20. To be submitted to the electorate on 10/24/2015.				Reallocation Between Funds	Reallocation Between Funds	Reallocation Between Funds

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Transportation Trust Fund							
Act 147 Regular Session SB 271	Converts the taxation basis for CNG and LPG from a self-reporitng flat payment basis to gallon equivalent fuels tax basis collected as pumped. Also, reduces the discounts provided for timely filing and remittance. These changes result in greater net fuels tax collections which flow to the TTF.	$0	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000
Higher Education Initiatives Fund							
Act 140 Regular Session SB 93	Establishes the SAVE (Student Assessment for a Valuable Education) progam to facilitiate higher education funding. The program is essentially general fund resources appropriated to higher education through an exisitng statutory dedication special fund. The bill contemplates a maximum of $350 M per year being channeled to higher education through this mechanism, but each year's dedication amount is determined by the amount actually appropriated through this mechanism. HB 1 for FY 16 contains a $350 M appropriation to the Board of Regents from the Higher Education Initiatives Fund. Effective through FY 20.	$0	$350,000,000	$0	$0	$0	$0
Major Events Incentive Program Subfund within the Mega-Project Development Fund							
Act 12 Regular Session SB 218	Allows LED to determine the amount of state sales and excise taxes are associated with various qualified events in the state, and upon JLCB approval the treasury is to transfer those amounts from the general fund to the subfund created by this bill. The effect is to dedicate baseline revenue collections and reduce the SGF. Effects are unlikely in FY 16, but possible in subsequent years.	$0	$0	INCREASE	INCREASE	INCREASE	INCREASE
	Adjustments To Dedications of Major State Tax, License, and Fee Estimates	**$0**	**$464,354,000**	**$111,154,000**	**$111,154,000**	**$111,154,000**	**$111,154,000**
	TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST	**$74,000,000**	**$255,528,500**	**$494,616,000**	**$476,616,000**	**$217,516,000**	**$200,816,000**
	OTHER ITEMS OF INTEREST						
Incentive Programs' Expenditure Forecasts							
Act 169 Regular Session SB 222	Beginning with FY 17, requires that 28 tax expenditure programs to be forecast by the REC separately from the base revenue forecasts. If forecasts are insufficient to meet program expenditure requirements, program administrators shall notify the REC, and the forecasts may be revised as necessary. Forecasts are not controlling as to appropriations or program expenditures.				Incentive Programs' Expenditure Forecasts		

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	ACT 419 ITEMS						
	ACT 419 STATUTORY DEDICATIONS						
Crime Victim Reparations Fund							
Act 186 Regular Session HB 143	Transfers unclaimed gaming prizes & winnings (after gaming taxes) from racetrack slot machines, riverboat casinos, the land-based casino, and pari-mutuel horse racing to the Crime Victim Reparations Fund. Effective FY 16.	$0	$1,600,000	$1,600,000	$1,600,000	$1,600,000	$1,600,000
Conservation Fund							
Act 303 Regular Session HB 198	Increases fees related to commercial crab harvesting.	$0	$54,000	$54,000	$54,000	$54,000	$54,000
Act 343 Regular Session HB 579	Increases rental rate for oyster harvesting leases.	$0	$403,000	$403,000	$403,000	$403,000	$403,000
Oil and Gas Regulatory Fund							
Act 362 Regular Session HB 784	Creates numerous new fees and increases existing fees related to oil and gas regulation.	$0	$5,500,000	$5,500,000	$5,500,000	$5,500,000	$5,500,000
Grant Parish Economic Development Fund							
Act 39 Regular Session HB 12	Dedicates the state's sales tax on hotel/motel room rentals to the Grant Parish Economic Development Fund.	$0	$5,000	$5,000	$5,000	$5,000	$5,000
	Total Act 419 Statutory Dedications	**$0**	**$7,562,000**	**$7,562,000**	**$7,562,000**	**$7,562,000**	**$7,562,000**
	ACT 419 SELF-GENERATED REVENUE (SGR)						
Acts 319, 207, 208, 324 Regular Session HBs 316, 317 318, and 354	These bills raise various fees charge by the Office of Financial Institutions for regulatory licensing/permitting purposes.	$0	$788,250	$813,900	$834,350	$819,700	$809,950
Act 130 Regular Session HB 774	Increases various fees charged by the Department of Revenue.	$0	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Act 128 Regular Session HB 721	Increases various fines and penalties charged by the Department of Revenue.	$0	$5,900,000	$5,900,000	$5,900,000	$5,900,000	$5,900,000

Actions Affecting Major State Tax, License and Fee Estimates (TABLE 14)
and Estimates of Net Available State General Fund Revenue

2015 Regular Session

Instrument	Description	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Act 111 Regular Session HB 448	Increases the fee for obtainng an official driving record from $6 to $16. DPSC Office of Motor Vehicles	$0	$21,800,000	$21,800,000	$21,800,000	$21,800,000	$21,800,000
Act 264 Regular Session SB 157	Increases various fees charged by the Courts of Appeal.	$0	$540,000	$540,000	$540,000	$540,000	$540,000
Act 412, 361 Regular Session HB 604 & HB 773	Authorizes LED to charge and increase fees for supporting the administrative aspects of various LED incentive programs.	$0	$6,662,000	$6,662,000	$6,662,000	$6,662,000	$6,662,000
	Total Act 419 SGR	**$0**	**$39,190,250**	**$39,215,900**	**$39,236,350**	**$39,221,700**	**$39,211,950**
	Total Act 419 Revenue	**$0**	**$46,752,250**	**$46,777,900**	**$46,798,350**	**$46,783,700**	**$46,773,950**
	Act 419 Statutory Dedications	$0	$7,562,000	$7,562,000	$7,562,000	$7,562,000	$7,562,000
	Act 419 SGR	$0	$39,190,250	$39,215,900	$39,236,350	$39,221,700	$39,211,950
	Act 419 Revenue	$0	$46,752,250	$46,777,900	$46,798,350	$46,783,700	$46,773,950

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
00 - 00	Statewide	Statewide	FY 16 budget includes a blended 10.8% premium increase for the Office of Group Benefits (OGB) for the employers (state agencies/school boards) and employees (OGB members) effective 7/1/2015. Some health plans will increase premium rates up to 12% (Magnolia Local Plus) while other plans will only increase by 4% (both Pelican Plans - consumer driven plans). According to the OGB, this rate increase will generate approximately $132.1 M of additional revenues within the program. For OGB members, the employer pays 75% of the premium for members and 50% of the premium for the members' dependents. The MOF for this adjustment is $14,809,318 SGF, $5,166,454 IAT, $4,801,034 SGR, $9,255,945 Statutory Dedications and $6,508,285 Federal. **Note:** The numbers reflected do not include the revenues generated by the employee's portion, local participating school districts, Higher Education, Judiciary and Legislative. The $40.5 M only reflects the employer portion (state agencies).	$14,809,318	$40,541,036	0
			Major Increases or Enhancements for Statewide	**$14,809,318**	**$40,541,036**	**0**
01 - 111	Executive	Homeland Security & Emergency Prep	Additional SGF provided for the first year of a 5-year payment plan associated with the state match requirements (25% or 10%) from past declared natural disasters. All of these events have either 90/10 state match or 75/25 state match requirements that have not been paid to date. According to FEMA, the state owes $53,801,581 with the first payment due 7/1/2015 in the amount of $5 M. The state match requirement is 25%. After the first payment in FY 16, the state owes approximately $47.5 M. The specific payment plan is detailed in the *GOHSEP FEMA State Match Payment Plan* issue write-up. The specific disaster events associated with the state match include: flooding event, Gustav, Ike, Isaac, Tropical Storm Allison, winter storm, severe storms, thunderstorms and flooding, freezing rain and ice storms.	$5,000,000	$5,000,000	0
01 - 112	Executive	Department of Military Affairs	Provides federal funding to support the Integrated Training Area Management (ITAM) Cooperative Agreement. The ITAM Cooperative Agreement funds requirements related to the National Guard Bureau's (NGB) Federal contribution for Army National Guard Training Support System (TSS) programs, of which ITAM is a part. Military Affairs will use these funds to maintain its outdoor classrooms as a means of improving training efficiency. ITAM funds can also be used to improve unit readiness and survivability through sustained, realistic training, as well as testing lands through integration of land use requirements with land capability.	$0	$250,000	0
01 - 112	Executive	Department of Military Affairs	Provides federal funding to support the Range Training Land Program (RTLP) Cooperative Agreement. RTLP is covered under the Sustainable Range Program and provides for central management, programming, and policy for modernization of the Army's ranges and their day-to-day operations. The RTLP funds will be used to fund training range operations, including payment for state or state-contracted employees, such as target materials, target/instrumentation maintenance, operational unexploded ordinance (UXO) clearance, and other miscellaneous activities.	$0	$181,000	0
01 - 112	Executive	Department of Military Affairs	Provides federal funding for 4 positions and related expenses for expansion of the Starbase Operations in Iberville Parish. The Starbase Program includes training activities and site tours of aviation facilities. The funding does not have a match agreement associated with it.	$0	$324,000	4
01 - 112	Executive	Department of Military Affairs	Provides SGR funding to support the Department of Justice Equitable Sharing Program (Counter Drug Program).	$0	$205,000	0
01 - 124	Executive	LA Stadium & Exposition District	Provides additional statutorily dedicated funds for contractual obligations of the district. The increase is from the New Orleans Sports Franchise Assistance Fund, which has a FY 16 total recommended amount of $3.1 M. The agency's total FY 16 statutorily dedicated fund budget recommendation consist of the following funds: LSED License Plate Fund ($600,000), New Orleans Sports Franchise Assistance Fund ($3.1 M), New Orleans Sports Franchise Fund ($8.7 M), and Sports Facility Assistance Fund ($4.338 M).	$0	$206,095	0

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 129	Executive	LA Commission on Law Enforcement	Increases federal funding for the National Instant Background Check System (NICS) Discretionary Grant provided by the Department of Justice's grant programs. LCLE passes this grant through in part to 2 other state agencies, the LA Supreme Court ($1,041,731) and the LA Clerk of Courts Association ($58,269). LCLE uses $65,559 of this grant to fund 80% of an FTE position for NICS Task Force coordination.	$0	$1,165,559	0
01 - 129	Executive	LA Commission on Law Enforcement	Provides additional funding from the statutorily dedicated Tobacco Tax Health Care Fund for operating expenses based on increased Revenue Estimating Conference projections.	$0	$490,978	0
01 - 129	Executive	LA Commission on Law Enforcement	Increases funding for the Truancy Assessment & Service Centers (TASC). FY 16 funding for TASC is approximately $1.8 M.	$250,000	$250,000	0
01 - 133	Executive	Elderly Affairs	Increases funding from the statutorily dedicated New Orleans Area Economic Development Fund to the Parish Councils on Aging Program for the New Orleans Council on Aging.	$0	$156,534	0
01 - 133	Executive	Elderly Affairs	Increases funding from the statutorily dedicated New Orleans Urban Tourism & Hospitality Training in Economic Foundation Fund to the Parish Councils on Aging Program for the New Orleans Council on Aging.	$0	$353,920	0
			Major Increases or Enhancements for Executive	**$5,250,000**	**$8,583,086**	**4**
03 -	Veterans Affairs	Department Wide	Increases SGR for the 5 LA War Veterans Homes throughout LA. The enhancement is due to increased collections projected for meal ticket purchases by home guests and employees, Federal coinsurance collections related to patient medication purchases, and care maintenance fees derived from patients paying in part for their care (for example, room rental). Each home has an individual projected increase of $26,270.	$0	$131,350	0
03 - 130	Veterans Affairs	Department of Veterans Affairs	Provides funding for startup operating costs associated with the new Northeast LA Cemetery in Rayville, LA. The cemetery grounds are scheduled for completion in late 2015 and will open in January 2016. Two existing vacant positions (regional manager and administrative assistant) in the Contact Assistance Program and Claims Program will be allocated to the new cemetery. The positions include an administrative director and an administrative assistant.	$152,483	$152,483	0
03 - 130	Veterans Affairs	Department of Veterans Affairs	Increases SGF for payment of LA Veterans Disabled Claims in the amount of $100,000 per claimant for 4 veterans who have met the requirements for full disability. Pursuant to Act 406 of 2011, the Department must pay disability awards of $100,000 to claimants who are deemed to have a 100%service-connected disability as set forth in LA RS 29:26.1.	$400,000	$400,000	0
			Major Increases or Enhancements for Veterans Affairs	**$552,483**	**$683,833**	**0**

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
04a - 139	State	Secretary of State	Provides funding for the presidential preference primary election to be held on 3/5/2016.	$3,314,329	$3,314,329	0
04a - 139	State	Secretary of State	Provides additional funding to the Elections Program to address personnel vacancies and related expenses in the Registrars of Voters offices.	$997,000	$997,000	0
			Major Increases or Enhancements for State	**$4,311,329**	**$4,311,329**	**0**
04b - 141	Justice	Attorney General	Increases funding from the statutorily dedicated DOJ Legal Support Fund along with 12 positions for the new Complex Litigation Unit. The unit was created as a result of Act 796 of 2014, which requires statutory authority for compensation to a special attorney or counsel on a contingency fee contract. At the February 2015 meeting of the JLCB, a $2 M BA-7 was approved to begin funding the unit. The increases by program are as follows: Administrative Program ($409,584 and 3 positions); Civil Program ($4,210,470 and 4 positions); and Criminal Program ($852,458 and 5 positions). The Revenue Estimating Conference projects $10 M to be collected by the fund in FY 16. The expenditure categories within the Attorney General's Office are increased as follows: **Expenditure** — **Amount** Personal Services — $1,270,312 Operating Expenses — $749,607 Professional Services — $2,021,450 Other Charges — $925,650 Acquisitions — $505,493 **Total** — **$5,472,512**	$0	$5,472,512	12
			Major Increases or Enhancements for Justice	**$0**	**$5,472,512**	**12**
04f - 160	Agriculture & Forestry	Agriculture & Forestry	Increases funding from the statutorily dedicated Pesticide Fund in the Agriculture & Environmental Sciences Program due to REC projections.	$0	$294,817	0
			Major Increases or Enhancements for Agriculture & Forestry	**$0**	**$294,817**	**0**
06 - 264	Culture, Recreation & Tourism	State Parks	Increases funding to the Office of State Parks by approximately $3.5 M. Of the $3.5 M, $1.5 M will be dispersed for the final stages of cabin repairs at Bayou Segnette ($960,000) and Fountainbleau ($540,000) state parks and the remaining $2 M will be allocated to deferred maintenance projects needed for other state parks. Funding for the finals stages of cabin repair will be attributed to operating expenses, furnishings for the cabins, enhanced wireless internet infrastructure, and possible When Actually Employed (WAE) positions.	$3,511,440	$3,511,440	0
06 - 267	Culture, Recreation & Tourism	Tourism	Increases SGR funding for the LA Tourism Promotion District (LTPD) Fund. Funding will be used for advertising and marketing contracts to promote the state domestically and internationally. FY 16 budget for LTPD is $23.3 M.	$0	$969,473	0
			Major Increases or Enhancements for Culture, Recreation & Tourism	**$3,511,440**	**$4,480,913**	**0**

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
07 - 276	Transportation & Development	Engineering & Operations	DISTRICT OPERATIONS PROGRAM: Net increase in Statutory Dedications funding to appropriate the remaining balance of the Geaux Pass Transition Fund ($1,598,725) for lighting of the eastbank and westbank approaches to the Crescent City Connection Bridge, improvements to ingress and egress points, lighting, maintenance, grass cutting, and landscaping of the Westbank Expressway and its connecting arteries as required by Act 274 of 2013. Due to the availability of cash in the Geaux Pass Transition Fund in FY 16, this adjustment reduces $1,387,684 in budget authority from the Crescent City Transition Fund that is used for the same purpose and will not be needed in FY 16. This adjustment will extend the use of the Crescent City Transition Fund by preserving cash in the account. The balance in the Transition Fund at the close of FY 15 was $11.5 M, of which $8.4 M is reserved for capital outlay projects.	$0	$211,041	0
07 - 276	Transportation & Development	Engineering & Operations	DISTRICT OPERATIONS PROGRAM: Provides budget authority for LEAF finance purchases of heavy equipment over a 3-year period in place of direct acquisitions of equipment utilizing the Transportation Trust Fund - Regular. This increase brings the agency's leaf budget expenditure to slightly over $6 M in FY 16 and allows the department to replace older equipment in the fleet that is not part of the DOTD Buy Back Program.	$0	$1,060,569	0
07 - 276	Transportation & Development	Engineering & Operations	Provides funding from the statutorily dedicated Transportation Trust Fund-Regular for 10 positions associated with increasing in-house engineering staff as part of GEMS recommendations to increase in-house engineering services in lieu of contract services. DOTD was given 13 additional positions by BA-7 during FY 15. This adjustment will complete the GEMS recommended expansion. DOTD reports this funding is sufficient for 6 months and that the positions will be hired at the mid-year point or later.	$0	$401,453	10
			Major Increases or Enhancements for Transportation & Development	**$0**	**$1,673,063**	**10**
08A - 400	Corrections	Administration	Converts 4 job appointments to classified positions. These positions (case management) are responsible for the delivery of healthcare to offenders under DOC's new healthcare restructuring.	$0	$0	4
08A - 400	Corrections	Administration	Increases SGF and positions by 5 to provide for the expansion of Certified Training & Rehabilitation Program (CTRP) credits at local jail facilities. The positions are Corrections ARDC (Adult Reception & Diagnostic Center) Specialists.	$225,000	$225,000	5
			Major Increases or Enhancements for Corrections	**$225,000**	**$225,000**	**9**
08B - 419	Public Safety	State Police	Increases funding from the statutorily dedicated Insurance Verification System Fund for costs associated with the state trooper pay raise that was granted at the January 2015 meeting of the JLCB. The salaries were increased by 20% for 1,009 eligible state troopers. The annualized FY 16 cost of the raise is $24 M, which is $14 M in salaries and $10 M in related benefits. The REC projected $36.9 M in revenue for the fund in FY 16.	$0	$24,000,000	0
08B - 419	Public Safety	State Police	Increases funding from the statutorily dedicated Debt Recovery Fund by $11 M to fund additional state police pay grid increases as a result of Act 414 of 2015. Act 414 provides that the Office of Motor Vehicles declare some outstanding OMV debts as "final delinquent debt" and turning such debt over to the Office of Debt Recovery (ODR). Debt collected by ODR will be deposited into the Debt Recovery Fund. The REC will make the determination whether the monies deposited into this fund as a result of Act 414 is classified as recurring or non-recurring revenue. The $11 M increase includes $6.4 M for salaries and $3.6 M for related benefits. The $11 M increase provides the full pay grid adjustment of 30% that was not granted in the January 2015 JLCB meeting. The JLCB agreed to fund 20% of the proposed pay grid adjustment. The total cost of the pay raise for FY 16 will be $35 M ($20.4 M salaries + $14.6 M related benefits). The Insurance Verification System Fund is used to fund $24 M of the pay grid increase.	$0	$11,000,000	0

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08B - 420	Public Safety	Motor Vehicles	Increases SGR to purchase supplies related to the manufacturing and distribution of license plates to maintain an inventory at district offices and public tag agent offices.	$0	$550,000	0
			Major Increases or Enhancements for Public Safety	**$0**	**$35,550,000**	**0**
08C - 403	Youth Services	Juvenile Justice	Provides funding to allow the agency to respond in real-time to electronic monitoring violations by a youth at home. Youth can be placed on electronic monitoring by the court or by their probation and parole officer with approval of a supervisor. This funding will be utilized to pay probation officers $100 per month for being available in a rotation 24 hours a day, 7 days a week to monitor these alerts.	$285,600	$285,600	0
08C - 403	Youth Services	Juvenile Justice	Provides funding for the Acadiana Center for Youth Facility in Bunkie, which is slated to open in May 2016. FY 16 funding includes partial funding for 124 positions, the necessary start-up costs and 2 months of operational costs for the 72-bed facility. The positions will be added in stages throughout FY 16. Funding includes the following expenditures: Salaries $1,850,823 Related Benefits $1,061,642 Travel $5,000 Operating Services $97,330 Supplies $50,000 Professional Services $16,833 IAT $266,666 (risk mgt premiums and food/clothing from Prison Enterprises) Acquisitions $182,134 Major Repairs $8,333 **Total** **$3,538,761** Funding for a full year's operation of the facility is anticipated to be $11 M.	$3,538,761	$3,538,761	124
			Major Increases or Enhancements for Youth Services	**$3,824,361**	**$3,824,361**	**124**
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	FPHSA is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$100,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Increases funding ($1,159,000 SGF and $1,158,999 Federal) for costs of an Electronic Visit Verification (EVV) system. The source of Federal funds is Medicaid Administration federal match (50% state / 50% federal). FY 15 Budget $1.5 M (Long Term Personal Care Services and Community Choices waiver) FY 16 Adjustment $2.3 M (includes additional Medicaid waiver services - OCDD) **FY 16 Budget** **$3.8 M** The EVV system is designed to maintain an audit trail that electronically and accurately documents and tracks login and logout times of visits by direct service workers for certain Medicaid recipients. In addition, the system provides verification that services are delivered by providers in accordance with the recipients plan of care and performed by the direct service worker. The EVV system includes multiple technologies, including telephone, integrated GPS enabled devices to provide visit verification for recipients without a landline, or alternative fixed location tracking device in recipient's home, and a system to submit billing. and end of services provided in the home and other settings.	$1,159,000	$2,317,999	0

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Additional federal funding for dual eligibles (eligible for both Medicaid and Medicare) for federally mandated rate changes to Medicare premiums and projected enrollee increases in the Medicare Savings Program (MSP). The adjustment represents 100% Federal funds. The MSP pays for the Medicare premiums for certain Medicare beneficiaries that the state is required to cover (with 100% Federal funds). The adjustment is based on the following calculation. $23,604,776 - FY 15 EOB for Qualifying Individuals $24,747,235 - FY 16 Projected (based on Part B premium increase from $104.90 to $106.50 in FY 16)	$0	$1,142,459	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding ($347,526 Statutory Dedications and $571,127 Federal) for Medicaid prepaid Dental Benefit Plan. The source of Statutory Dedication revenue is provider fee taxes from the Medical Assistance Trust Fund. The increase is based on a projected increase in enrollment and an increase in the capitation rate. The Dental Benefit Plan provides Medicaid dental services to all Bayou Health and fee-for-service Medicaid enrollees. $149,267,823 - FY 15 Projection $150,186,476 - FY 16 Projection The increase is based on 419,483 more member months and the following rate increases by category. **PMPM Rate Description** / **FY 15 Rate** / **FY 16 Rate** LaChip Affordable plan / $11.85 / $11.90 Medicaid children / $15.48 / $15.55 CHIP / $15.48 / $15.55 Medicaid Adult / $1.26 / $1.27	$0	$918,653	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding ($63,140,721 SGF and $103,853,676 Federal) in Medical Vendor Payments, Private Providers Program for projected payment growth in the Hospital Public Private Partnerships. The source of Federal funds is federal financial participation. Total supplementary and DSH funding for the Public Private Partnerships in FY 16 is $1,205,746,254. See *"LSU Public Private Partnership Payments"* Overview.	$63,140,721	$166,994,397	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides $26.9 M in Federal funds for upper payment limit (UPL) supplemental payments to rural hospitals. The source of federal funds is Title 19 federal financial participation. Information provided by the DHH indicates these funds will be drawn through a certification of public expenditures (healthcare expenditures that are certified as a Medicaid reimbursable expense) process.	$0	$26,961,993	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides additional funding ($3.5 M Statutory Dedications and $5,751,916 Federal) for home and community based waivers for people with developmental disabilities in FY 16. The source of Statutory Dedications is revenue from the Tobacco Tax Medicaid Match Fund. The source of Federal funds is Title 19 federal financial participation.	$0	$9,251,916	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides federal funding (100%) for payments to private providers. The federal revenue will be generated through the certification of public expenditure process (CPE) from Lallie Kemp through prior year cost reports. The Federal funds will be drawn down based on prior year Medicaid allowable expenses. Funding is anticipated to be retained in Medicaid for provider payments.	$0	$32,034,854	0
09 - 309	Health & Hospitals	South Central LA Human Services Authority	SCLHSA is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$100,000	0

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 310	Health & Hospitals	Northeast Delta Human Services Authority	NEDHSA is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$100,000	0
09 - 320	Health & Hospitals	Aging & Adult Services	Increases funding from the statutorily dedicated Nursing Home Residents Trust Fund in the Administration, Protection & Support Program. The source of the statutorily dedicated funds is civil penalties levied against nursing homes as a result of licensing violations. Funding is used for quality improvement projects in LA's nursing homes. The projects selected advance residents quality of care.	$0	$400,000	0
09 - 320	Health & Hospitals	Aging & Adult Services	Increases Title 19 Medicaid IAT funding by $340,515 at Villa Feliciana Medical Complex due to projected higher revenue collections of Medicaid funds. The current census at Villa Feliciana has increased by 5 additional beds; thereby increasing the number of Medicaid eligible patients at the facility. In FY 16, Villa Feliciana will be funded for 155 beds.	$0	$340,515	0
09 - 324	Health & Hospitals	LA Emergency Response Network Board	Increases funding from the statutorily dedicated LA Emergency Response Network (LERN) Fund for the development of Level III and Level IV Trauma Centers. In 2004, a statewide trauma system to help save lives and reduce the burden of trauma was established. The statewide trauma system is voluntary and all hospitals are invited to participate. The LERN Fund was created during the 2010 Legislative Session and one of the purposes of the fund was to assist hospitals in becoming certified trauma centers. The source of the statutorily dedicated funds is SGF revenue appropriated in Act 121 (Funds Bill).	$0	$200,000	0
09 - 325	Health & Hospitals	Acadiana Area Human Services District	AAHSD is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$100,000	0
09 - 375	Health & Hospitals	Imperial Calcasieu Human Services Authority	ICHSA is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$100,000	0
09 - 376	Health & Hospitals	Central LA Human Services District	CLHSD is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$192,100	0
09 - 377	Health & Hospitals	Northwest LA Human Services District	NLHSD is a recipient of the LA Partnership for Success grant via an interagency transfer from the Office of Behavioral Health. This is a 5-year grant aimed at reducing underage drinking and prescription drug misuse/abuse.	$0	$192,100	0
			Major Increases or Enhancements for Health & Hospitals	**$64,299,721**	**$241,446,986**	**0**

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
11 - 435	Natural Resources	Coastal Management	Increases Federal funds to the Coastal Management Program for the Geologic Review System.	$0	$152,100	
			Major Increases or Enhancements for Natural Resources	**$0**	**$152,100**	
14 - 474	Workforce Commission	Workforce Support & Training	Provides IAT funding from the Department of Children & Family Services (DCFS) in the Office of Workforce Development to implement the Strategies to Empower People (STEP) Program. The source of funds are Temporary Assistance for Needy Families (TANF). The STEP program is a work program available to eligible recipients that receive Family Independence Temporary Assistance Program (FITAP), cash assistance. The STEP program assist families in obtaining long term employment and self-sufficiency, allowing them to leave cash assistance and not return.	$0	$2,500,000	0
14 - 474	Workforce Commission	Workforce Support & Training	Provides funding from the statutorily dedicated Workers' Compensation 2nd Injury Fund within the Office of the 2nd Injury Board for payment of pending worker's compensation claims. The 2nd Injury Fund reimburses employers or, if insured, their insurance carriers for part of the workers' compensation costs in certain instances when an employee with a pre-existing permanent partial disability is injured on the job. Every property and casualty insurer, individual self-insurer and group of self-insurance funds that have paid workers' compensation benefits make an annual payment (assessment) to the 2nd Injury Fund statutory dedication. The assessment rate is based on a percentage of the total benefits paid in the prior calendar year.	$0	$10,000,000	0
			Major Increases or Enhancements for Workforce Commission	**$0**	**$12,500,000**	**0**
16 - 512	Wildlife & Fisheries	Office of Secretary	Increases funding from the statutorily dedicated Conservation Fund to the Enforcement Program for adjustments to enforcement agent salary pay grid. This increase will allow for cadets entering the Wildlife Enforcement Agent Academy to receive a pay increase comparable to the increase received by cadets entering the State Police Training Academy. The increase will raise salaries for entering cadets from $36,000 to $42,000.	$0	$1,548,800	0
16 - 514	Wildlife & Fisheries	Office of Fisheries	Increases funding from the statutorily dedicated Saltwater Fish Research & Conservation Fund in the Fisheries Program. Funds were used to provide for data collection, management and conservation of recreational saltwater fish species through sampling and collection activities of the LA Creel Initiative. This fund was created by Act 804 of 2014 and uses a $7.50 increase to the Saltwater Fishing license to fund the LA Creel Program. Projected revenues for the first year of the program are $1,979,801. This sampling program will be used to determine creel limits and season dates.	$0	$2,000,000	0
			Major Increases or Enhancements for Wildlife & Fisheries	**$0**	**$3,548,800**	**0**

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
17 - 563	Civil Service	State Police Commission	Provides an increase in IAT from the Department of Public Safety & Corrections for professional services to fund the development, administration and analysis of State Police cadet exams. The funding for these services had been reduced as police academies were inactive over the last 5 years, but with the academies beginning again, additional funding was needed to proctor and evaluate cadet exams. The original source of the IAT is the statutorily dedicated Debt Recovery Fund.	$0	$35,000	0
17 - 565	Civil Service	Board of Tax Appeals	Increases funding ($2,111 SGF, $25,069 IAT and $6,333 SGR) for rental space to house the Board of Tax Appeals (BTA) in the Iberville Building in Baton Rouge. Initially, the BTA negotiated for space in One American Place for $85,000 per year, which was included in the agency budget request. However, the GEMS initiative indicated that the BTA should be housed in a state-owned building. Rent in Iberville is $118,513 annually, an increase of $33,513 over the negotiated market rate.	$2,111	$33,513	0
17 - 565	Civil Service	Board of Tax Appeals	Increases IAT ($25,057) and SGR ($6,000) for one-time start-up costs associated with Board of Tax Appeals hearing local tax disputes. The Local Tax Division is a new program in BTA that will be funded by $88,000 IAT transferred from the Department of Revenue as payment in lieu of filing fees and $125,000 of the Consumer Use Tax which in previous years was distributed to the parish of origin. In addition, the BTA is expected to receive additional filing fees as SGR from the new local tax cases filed by taxpayers.	$0	$31,057	0
17 - 565	Civil Service	Board of Tax Appeals	Act 210 of 2015 provides funding ($50,000 IAT and $32,500 SGR) for a salary increase ($60,000) and related benefits ($22,500) for the Local Tax Division judge who also serves as a member of the Board of Tax Appeals. The funding will be obtained by increased fees due to a larger caseload resulting from local sales tax disputes along with an increased transfer of local use funds as agreed by local taxing authorities.	$0	$82,500	0
			Major Increases or Enhancements for Civil Service	**$2,111**	**$182,070**	**0**
19A - 600	Higher Education	LSU System	Provides funding to the LSU Health Science Center in New Orleans for the LA Tumor Registry.	$525,000	$525,000	0
19A - 600	Higher Education	LSU System	Increases base funding for LSU Health Sciences Center - Shreveport for legacy costs. These are costs associated primarily with termination pay, risk management costs and retiree health benefits resulting from the transfer of the Huey P. Long and E.A. Conway to the public/private partnerships. The $19,839,573 in combined SGF ($16,083,626) and SGF supplementary funding will address the entirety of the legacy costs anticipated in FY 16. **Note:** Act 16 includes language in the Preamble designating certain appropriations as Supplementary Budget Recommendations. However, Appropriation Letters issued by the DOA do not provide for base and supplementary appropriations.	$19,839,573	$19,839,573	0
19A - 600	Higher Education	LSU System	Provides additional funding for the LSU Ag Center to help offset rising mandated costs in employee/retiree health insurance and employee retirement contributions.	$2,000,000	$2,000,000	0
19A - 600	Higher Education	LSU System	Provides funding for research programs at the LSU Health Sciences Center in New Orleans. The LSU HSC NO was unable to provide more specifics relative to intended used for these funds prior to printing.	$2,500,000	$2,500,000	0
19A - 600	Higher Education	LSU System	Provides funding for the LSU HSC NO for the LA Cancer Research Center for research programs. The LSU HSC NO was unable to provide more specifics relative to intended used for these funds prior to printing.	$490,000	$490,000	0

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19A - 600	Higher Education	LSU System	Provides funding for LSU HSC-S to maintain operational capacity and avoid risk of loss of accreditation due to inadequate funding. LSU HSC will use the additional funding for the following items: offset an on-going revenue deficit ($14.1 M), funding of non-faculty personnel that were previously funded by the public hospital ($10 M), building lease increase ($4 M), and increases in Office of Risk Management premiums ($3 M).	$31,100,000	$31,100,000	0
19A - 620	Higher Education	UL System	Provides SGF for the University of LA at Lafayette for the Procurement Technical Assistance Center (PTAC). The PTAC was established in 1989 and is located on the UL Lafayette campus. The center oversees 4 sub-recipient centers located throughout LA. PTAC provides specialized and professional assistance to individuals and businesses wanting to learn about, actively seeking, or currently performing contracts and subcontracts with the U.S. Department of Defense and other federal agencies, state, and local governments.	$185,000	$185,000	0
19A - 661	Higher Education	Student Financial Assistance	Increases SGF for TOPS awards as projected by the Office of Student Financial Assistance. Total TOPS funding for FY 16 is $265.2 M.	$15,174,600	$15,174,600	0
19A - 671	Higher Education	Board of Regents	Provides $4 M in additional funding for Pennington Biomedical Research Center to partially replace one-time funding; and to support ongoing core operations, sustain grant-generating capacity, and avoid financial exigency. $1.5 M will replace monies for the WISE Initiative. The net increase of $2.5 M provides for off-budget items that were not subject to appropriation by the Legislature in FY 15: $1 M from Pennington Biomedical Foundation and $1.5 M working capital depleted for operating purposes.	$2,500,000	$2,500,000	0
19A - 671	Higher Education	Board of Regents	Provides SGR budget authority for additional tuition/fee revenues from projected LA GRAD Act (Act 741 of 2010) tuition/fee increases in FY 16 per actual estimates from institutions compiled by the Board of Regents.	$0	$36,500,000	0
			Major Increases or Enhancements for Higher Education	**$74,314,173**	**$110,814,173**	**0**
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	Increases IAT budget authority to receive additional federal IDEA (Individuals With Disabilities Education Act) funds awarded through the LA Assistive Technology Initiative (LATI) Grant via the LA Department of Education (DOE), Subgrantee Assistance Program and adds one other charges position to provide an additional facilitator position. These funds provide additional training resources to the local school districts. Total funding from DOE for this purpose in FY 16 is $457,145.	$0	$100,005	0
19B - 666	Special Schools & Comm.	Board of Elementary & Secondary Education	Increases funding from the statutorily dedicated LA Quality Education Support Fund (8g) to align expenditure authority with available revenues.	$0	$455,331	0
			Major Increases or Enhancements for Special Schools & Comm.	**$0**	**$555,336**	**0**

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19D - 695	Education	Minimum Foundation Program (MFP)	Increases funding based on the 10/1/2014 and estimated 2/1/2015 student counts indicating a net increase of 4,748 students. The FY 15 MFP is funded at $3,593,789,905 with a current student enrollment of 690,841. FY 16 budget is $3,628,258,948. The base per pupil amount is $3,961.	$34,469,043	$34,469,043	0
19D - 695	Education	Minimum Foundation Program (MFP)	Provides an additional funding ($30,293,438 SGF and $20 M Statutory Dedications) for the MFP. The recommended FY 16 MFP funding submitted by BESE (HCR 18) was deferred by the Legislature; as a result, the DOE will continue to utilize the FY 15 formula to allocate funds. The amount of $11,468,992 SGF is funded in the base budget to align the FY 16 MFP with FY 15 baseline expenditures ($6,086,992) and to provide additional funding for the high cost services allocation for certain students with disabilities ($5.4 M). The remaining $38,824,446 is funded in the supplementary budget ($16,202,485 SGF and $20 M from the Lottery Proceeds Fund, not to be expended prior to 1/1/2016). While this provides additional funding outside of the MFP formula the funds will be allocated in the same manner as provided in the FY 15 MFP formula. Of the total $38.8 M, $36,202,485 funds a 1.375% growth in the base per pupil amount from $3,961 to $4,051 and $2,621,961 provides for increases in the supplemental course allocation from $26 to $35 per student. **Note:** Act 16 includes language in the Preamble designating certain appropriations as Supplementary Budget Recommendations. However, Appropriation Letters issued by the DOA do not provide for base and supplementary appropriations.	$30,293,438	$50,293,438	
			Major Increases or Enhancements for Education	**$64,762,481**	**$84,762,481**	**0**
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Increases IAT from the DHH Medical Vendor Payments Program for Uncompensated Care Cost (UCC). This adjustment reflects increased uncompensated care service delivery at Lallie Kemp projected in FY 16.	$0	$2,653,715	0
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Provides funding for legacy costs. These are costs primarily associated with retiree health benefits, risk management, utility and maintenance costs of the former public hospital facilities resulting from the transfer to public/private partnerships. Of the $33.4 M, approximately $6.3 M is contingent upon supplemental SGF budget recommendations. According to LSU HCSD, the total amount allocated for legacy expenses is approximately $3.2 M short of projected need at $36.6 M. The Division of Administration reports that risk management premiums will be lower than the estimate provided by LSU HCSD. LSU HCSD reports it is likely able to absorb a shortfall of this magnitude with existing budget authority and revenues.	$33,401,425	$33,401,425	0
			Major Increases or Enhancements for LSU Health Care Services Division	**$33,401,425**	**$36,055,140**	**0**
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Increases SGF for the payment of one day's per diem payment on 2/29/2016 for state offenders housed in local correctional facilities. The daily rate to house state offenders in local correctional facilities is $24.39.	$445,454	$445,454	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Increases funding from the statutorily dedicated Insurance Verification System Fund for housing state offenders. Act 652 of 2014 provides the reimbursement guidelines for sheriffs or local governing authorities when certain individuals committed to DPS&C Correction Services are released on parole and are subsequently arrested and housed in a parish jail while awaiting a parole revocation hearing. FY 15 funding was $7 M and total funding for FY 16 is $10 M.	$0	$3,000,000	0
20 - 901	Other Requirements	State Sales Tax Dedications	Increases the Statutory Dedications budget authority for the following local dedications of state hotel-motel sales tax: Livingston Parish Tourist Economic Development Fund ($250,000), Ascension Parish Visitor Enterprise Fund ($120,000), St. Mary Parish Visitor Enterprise Fund ($72,556), and the Jackson Parish Economic Development and Tourism Fund ($8,300) for economic development and tourism related expenses.	$0	$450,856	0

Major Increases or Enhancements in the FY 16 Budget Compared to the FY 15 Budget (TABLE 15)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
20 - 924	Other Requirements	Video Draw Poker - Local Gov't Aid	Provides additional funding to the Video Draw Poker Device Fund due to revised Revenue Estimating Conference projections.	$0	$3,862,544	0
20 - 930	Other Requirements	Higher Education Debt Service & Maintenance	Increases SGF for the LA Community & Technical College System for debt service payments for various capital outlay projects as specified in Act 360 of 2013 ($11 M); payments for indebtedness, equipment leases and maintenance reserves at South LA Community College ($419,100); and payments for various capital outlay projects as specified in Act 391 of 2007 ($270,100). These increases are due to revisions of estimated bond payment amortization schedules.	$11,689,200	$11,689,200	0
20 - 932	Other Requirements	2% Fire Insurance Fund	Increases funding from the statutorily dedicated 2% Fire Insurance Fund to reflect the REC projections. These funds are passed through to local governmental entities to aid in fire protection. The projected increase is compared to current fiscal year.	$0	$6,035,200	0
			Major Increases or Enhancements for Other Requirements	**$12,134,654**	**$25,483,254**	**0**
			Major Increases or Enhancements of FY 2016	**$281,398,496**	**$621,140,290**	**159**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
00 - 00	Statewide	Statewide	Statewide retirement costs decreased by $30.3 M ($14.7 M SGF, $1.9 M IAT, $5 M SGR, $5.3 Statutory Dedications and $3.4 M Federal) for LA State Employees' Retirement System (LASERS), Teachers Retirement System of LA (TRSL) and LA State Police Retirement System (STPOL) due to decreased employer contribution rates. These decreases include a base adjustment for LASERS, TRSL and STPOL at a savings of $13.9 M and a projected employer contribution rate decrease for LASERS, TRSL and STPOL at a savings of $16.4 M. The decrease for LASERS, TRSL and STPOL is $19.5 M, $1.1 M, and $9.7 M, respectively. **Note:** Higher Education is excluded from the cost estimates above. The FY 16 rates were approved by the Public Retirement Systems Actuarial Committee (PRSAC). **System / FY 15 Rate / FY 16 Rate / Decrease** LASERS 37.4% 37.0% (0.4%) TRSL 27.7% 26.2% (1.5%) STPOL 75.3% 60.8% (14.5%)	-$14,668,636	-$30,279,683	0
00 - 00	Statewide	Statewide	Due to the FY 15 mid-year reductions being implemented after 12/1/2014 Existing Operating Budget (EOB) baseline for developing the FY 16 budget), the FY 15 mid-year cuts were not included in the EOB baseline. However, included in the FY 16 budget are budgetary adjustments that reduce state expenditure by annualizing a portion of the FY 15 mid-year reductions. Based upon the FY 16 proposed budget, of the $224.2 M SGF reductions enacted in FY 15 to solve the mid-year budget deficits, only 16% (24% Total MOF) is included in the FY 16 budget.	-$36,029,926	-$65,091,009	-132
00 - 00	Statewide	Statewide	The net total budgetary adjustments for the Office of Technology Services (OTS) related expenditures is a reduction of $2 M SGF and $13.1 M total MOF, which includes a SGF reduction of $16.5 M in the DOA. **Statewide OTS Adjustments / SGF / Total MOF** Division of Administration ($16,529,050) ($30,500,920) Other Agency Adjustments $14,511,182 $17,420,426 **Net OTS Adjustments ($2,017,868) ($13,080,494)** The DOA adjustment of $16.5 M in SGR includes $11.6 M for the pooled resource reallocation and $4.9 M for IT billing associated with payroll & positions management. In FY 16, the "pooled resources" are being reallocated back to the state agency in the aggregate amount of $11.6 M due to OTS being an ancillary agency. OTS will bill its customers (state agencies) for use of IT services, and classify invoice payments as IAT revenue. FY 16 budget includes a cost allocation spread among various state agencies and multiple means of financing for use of the state's payroll system and position management system.	-$2,017,868	-$13,080,494	0
00 - 00	Statewide	Statewide	This adjustment reflects the net reductions (-$45,717,078 SGF, $27,214,355 IAT, -$2,782,496 SGR, -$2,327,270 Statutory Dedications and $2,329,288 Federal) associated with the GEMS statewide initiatives such as procurement and human capital and the net budgetary adjustments that occurred as a result of the transfer of various positions and budgeting for agency billing in FY 16. **/ SGF / Total MOF** Statewide GEMS Reduction* ($46,684,530) ($57,916,514) Human Capital/Procurement Consolidation & Billing $967,452 $31,974,737 **Total ($45,717,078) ($25,941,777)** *The statewide adjustment captures all anticipated expenditure savings from the statewide procurement initiative and the human capital initiative. The breakdown is as follows: FY 15 – $18.6 M Procurement Initiative, FY 15 – $5.5 M Human Capital Management, FY 16 – $17.3 M Procurement Initiative, FY 16 – $5.3 M Human Capital Management. According to the DOA, all these procurement and human capital GEMS initiatives will result in recurring savings at various state agencies and have been built into the FY 16 budget. **Note:** Agency specific GEMS initiatives are included within this document with a net reduction of $48.6 M.	-$45,717,078	-$25,941,777	-80
00 - 00	Preamble	Statewide	Reduces funding for contracts by 5% to achieve a savings of approximately $10 M.	-$10,000,000	-$10,000,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
00 - 00	Preamble	Statewide	Reduces funding to achieve a savings from a reduction based on historical differences between the budget authority and actual expenditures. (Excludes DHH, higher education and LSU Health Science Center Health Care Services Division.)	-$4,825,032	-$4,825,032	0
00 - 00	Preamble	Statewide	Reduces funding associated with the elimination of vacant positions to achieve savings of approximately $4 M.	-$4,015,420	-$4,015,420	0
			Major Reductions for Preamble	**-$117,273,960**	**-$153,233,415**	**-212**
01 - 100	Executive	Executive Office	Removes excess budget authority ($958,223 IAT, $103,359 SGR and $571,622 Federal) that is no longer needed. This authority was originally included in the Governor's Office base budget for the Safe & Drug Free Program ($571,412), Wallace Foundation Grant ($985,419) and MacArthur Grant ($103,000).	$0	-$1,633,204	0
01 - 102	Executive	Inspector General	Reduces funding for personal services and travel. The reduction in personal services totaling $37,959 is related to a part-time non-T.O. law clerk position, and the salary and related benefits for an Auditor position taken from OIG's T.O. as part of the FY 15 mid-year reduction plan which is being annualized in the FY 16 budget. The remaining $17,000 reduction is related to travel for field investigations and employee professional development. This reduction represents an overall loss of 60% in OIG's travel authority from their prior year actual of $28,748 to $11,748 in FY 16.	-$54,959	-$54,959	0
01 - 103	Executive	Mental Health Advocacy Services	Reduction of $53,387 in SGF is related to Staff Attorneys not being promoted to the next level in their Career Progression Group (Attorney 1-3) and the elimination of funding for LA State Bar Association (LSBA) dues, which are waived by LSBA due to the public service nature of MHAS. MHAS anticipates that neither reduction will result in a programmatic impact.	-$53,387	-$53,387	
01 - 107	Executive	Division of Administration	Non-recurs federal grant funding associated with the State Broadband Data & Development Grant, as originally funded by the American Recovery & Reinvestment Act (ARRA) of 2009. The DOA completed the grant program activities in January 2015 with the administrative grant closeout activities to be completed in April 2015. The DOA was originally awarded $6,649,679 and the majority of these grant funds was used for professional services including broadband service provider outreach, service and network data collection, data validation, geospatial mapping and web mapping allocation development.	$0	-$816,576	0
01 - 107	Executive	Division of Administration	Removes excess budget authority in the Community Development Block Grant (CDBG) Program, Disaster Recovery Unit (DRU) related to Katrina/Rita and Gustav/Ike grants. The specific means of financing impacted include IAT ($205,000), SGR ($30,802,258) and Federal ($238,993,285). The specific DRU programs impact include: Administrative ($205,000), Recovery Housing ($13,978,146), Other Housing (housing initiatives not related to the Road Home Program) ($87,847,963), Economic Development ($30,979,371) and Infrastructure ($136,990,063).	$0	-$270,000,543	0
01 - 107	Executive	Division of Administration	Reduces IAT (Federal Funds) from the Governor's Office of Homeland Security & Emergency Preparedness in the Community Development Block Grant (CDBG) Program associated with the Hazard Mitigation Program Grant. CDBG/DRU's Hazard Mitigation Program assists homeowners in coastal LA protect their homes from damage by future natural disasters by elevating homes and reconstructing safer structures. Reducing this budget authority, also results in the elimination of 22 other charges positions within the agency. There is approximately $1.1 M recommended in FY 16 within this program.	$0	-$19,232,512	0
01 - 107	Executive	Division of Administration	Reduces excess SGR budget authority in the Revolving Loan Fund Program. The revolving loan fund program is currently a program within the Office of Community Development (OCD), Community Development Block Grant (CDBG). The revolving loan fund was created for the receipt of program income from local governments for principal and interest payments. Grants are awarded to a local governmental entity in order to loan to a business.	$0	-$3,000,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 107	Executive	Division of Administration	Reduces personal services, operating services, other charges, professional services and 4 positions within the agency. The specific breakdown of the reductions are as follows: $408,146 - elimination of 4 positions (3 - OFSS and 1 - Commissioner); $79,715 - elimination of student worker and WAE support; $496,692 - savings due to reorganizing Office of Financial Support Services (OFSS) and Facility Planning & Control (FP&C), and anticipated attrition associated with appointed personnel; $49,844 - reduction of travel, supplies, operating services; $665,045 - anticipated state building & grounds operational savings; $575,000 - savings due to not serving the Champion Property (Capitol Area Human Service District) and the Welcome Center Parking Garage; and $2.2 M - savings due to allocating the purchasing/contract LaGov function to non-SGF user agencies.	-$5,633,185	-$5,633,185	-4
01 - 107	Executive	Division of Administration	Reduces funding from the statutorily dedicated State Emergency Response Fund (SERF) ($312,000) and the Energy Performance Contracting Fund ($15,642). There will be $100,000 SERF funding remaining in FY 16 as that appropriation was added in Senate Finance Committee amendments.	$0	-$327,642	0
01 - 107	Executive	Division of Administration	Reduces SGR funding for expenditures associated with maintaining the operation of state owned buildings. According to the Division of Administration (DOA), the Office of State Buildings will continue to reduce energy costs by reducing building operating hours including specific after-hours requests as well as limiting routine maintenance and repairs that are not related to critical building functions.	$0	-$3,224,364	0
01 - 107	Executive	Division of Administration	Reduces SGF budget authority in the Community Development Block Grant (CDBG) - Disaster Recovery Unit (DRU). Due to excess federal budget authority being reduced in previous fiscal years, the SGF match portion had never been reduced.	-$367,168	-$367,168	0
01 - 107	Executive	Division of Administration	Reduces 3 positions and associated funding within the Community Development Block Grant (CDBG) Program. According to the Division of Administration (DOA), 3 program staff retired and those positions were not filled. The eliminated positions are grant administrators.	-$63,752	-$408,735	-3
01 - 107	Executive	Division of Administration	Reduces SGF due to the continuation of GEMS initiatives within the Office of General Counsel (OGC). This reduction essentially reduces outside legal contract expenditures as the DOA OGC is closely monitoring outside counsel contracts.	-$100,000	-$100,000	0
01 - 111	Executive	Homeland Security & Emergency Prep	Reduces SGF related to the purchase of meals-ready-eat (MREs). The agency anticipates having approximately 454,000 MREs on-hand during the 2015 hurricane season. The majority of these meals, or 426,000, are set to expire in September 2015, which will leave the agency with approximately 28,000 MREs on hand. In order to maintain the recommended 150,000 level, the agency will likely expend approximately $465,000 to purchase approximately 122,000 MREs in the Fall 2015 after hurricane season. GOHSEP currently has approximately 774,000 MREs, 746,000 bottles of water, 903,000 sandbags, 33,700 tarps, 10,190 blankets, 1,862 regular cots and 718 children cots. GOHSEP has determined that the level of MREs on hand by the state should be 150,000. GOHSEP has the funding needed in FY 16 budget to achieve this recommendation. The per unit cost of an MRE is approximately $3.81/meal.	-$700,000	-$700,000	0
01 - 112	Executive	Department of Military Affairs	Non-recurs one-time funding for IT infrastructure construction in accordance with a Memorandum of Understanding with the Cyber Innovation Center in Bossier, LA.	-$750,000	-$750,000	0
01 - 112	Executive	Department of Military Affairs	Non-recurs one-time funding for disposal of unstable Army explosive materials/ammunition at the Camp Minden Training Site in Minden, LA. Military Affairs transferred the funds to the Department of Environmental Quality for their costs associated with the disposal of the explosive materials/ammunition at Camp Minden.	$0	-$1,250,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 112	Executive	Department of Military Affairs	Reduces SGF that will lessen Military Affairs' ability to conduct repairs at its Readiness Centers, increase cuts to services and supplies at all installations and create a larger backlog for facility maintenance. Emergency Readiness and Response Capability will also be downgraded, including a reduced ability to put Guardsmen on State Active Duty during an emergency.	-$1,019,000	-$1,019,000	0
01 - 112	Executive	Department of Military Affairs	Reduces SGF ($280,000) and Federal funds ($840,000) due to a 75/25 match funding agreement with the Federal government, resulting in an actual reduction of $1,120,000. The reduction also includes a loss of 6 positions and would result in an estimated loss of 70 slots across the 3 Youth Challenge Programs (YCP) statewide as well as operating services. The YCP was responsible for 1,400 students statewide in FY 15.	-$280,000	-$1,120,000	-6
01 - 116	Executive	LA Public Defender Board	Reduces funding from the statutorily dedicated LA Public Defender Fund. A majority of the reduction is derived from the freezing of 2 positions with a self-imposed hiring freeze for FY 16, resulting in a reduction of $363,641 in Personal Services. LPDB will not lose these 2 positions. Other reductions include $44,435 in operating expenses (travel, operating services, supplies), $32,800 in professional services, $50,000 in other charges, and $26,500 in acquisitions.	$0	-$517,376	0
01 - 124	Executive	LA Stadium & Exposition District	Reduces SGR due to a projected FY 16 decrease in collections. In FY 15, the LSED actual SGR revenue collections included Wrestlemania XXX (Super Bowl of Wrestling), which resulted in above average collections for FY 15. This event was held in the Mercedes-Benz Superdome on 4/6/2014. This is not an annual New Orleans event. Thus, the SGR generated by the district has been reduced. Significant SGR generated annually by the district include 4 cents Hotel/Motel tax collections, concessions, merchandise and parking, box suite rentals, luxury seating, ticket incentives, champions square, etc.	$0	-$836,763	0
01 - 129	Executive	LA Commission on Law Enforcement	Reduces funding from the statutorily dedicated Crime Victims Reparations (CVR) Fund due to REC revenue projection change. LCLE uses the CVR Fund to pay expenses related to reparations for qualifying crime victims and for Peace Officer Standards Training (POST) courses. LCLE anticipates that this reduction in spending authority will affect both programs equally by diminishing its ability to hold POST courses and reimburse crime victims.	$0	-$671,060	0
01 - 129	Executive	LA Commission on Law Enforcement	Reduces SGF as part of LCLE's own recommended cost-saving measures. Reductions to the Truant Assessment & Service Center (TASC) total $110,941 ($106,941 in programmatic pass through costs, $4,000 from administration), reducing its budget authority by 5% from $2,218,820 to $2,107,879. TASCs are local entities which fight truancy among K-12 students. Reduction of $37,239 from LCLE's $250,000 Human Trafficking activities budget, a reduction of approximately 15% to $212,764. The last portion of the reduction is $37,796 from the LA Automated Victims Notification System (LAVNS), decreasing LAVNS budget authority from $833,323 to $795,527, an overall reduction of approximately 5%. LAVNS is the LCLE Program which monitors the custody status of adult inmates in all parish jails and state prisons and provides information to registered victims on offender status and location.	-$185,976	-$185,976	0
01 - 129	Executive	LA Commission on Law Enforcement	Reduces federal funding due to reduced spending associated with a change in how the Federal government calculates grant amounts. There are no state matches associated with these grants. These include grants related to the Violence Against Women Act, Edward Byrne Memorial Justice Assistance Grant Program, Crime Victim Assistance Program, Juvenile Justice & Delinquency Prevention Program, Juvenile Accountability Block Grant Program, National Instant Background Check System /FIREARMS, and other discretionary grant funds.	$0	-$2,030,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Non-recurs pass-through funding for the payment of expenses related to the housing of offenders iin Orleans Parish pursuant to LA RS 15:824. This expenditure was built into the FY 13 budget via an agreement with the Governor's Office.	-$2,000,000	-$2,000,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 133	Executive	Elderly Affairs	Non-recurs one-time funding totaling $7,700,000 in SGF ($6 M) and statutorily dedicated funds ($1.7 M) from the Overcollections Fund disbursed to the Parish Councils on Aging Program. $5 M in SGF of this reduction was built into GOEA's budget for FY 15. In addition, $1.7 M from the Overcollections Fund and an additional $1 M in SGF were added to GOEA's budget in the Supplemental Appropriations Bill for FY 15 (Act 55 of 2014).	-$6,000,000	-$7,700,000	0
01 - 254	Executive	LA State Racing Commission	Reduces funding ($173,838 in SGR and $57,584 from the statutorily dedicated Pari-mutuel Live Racing Facility Gaming Control Fund) for legal services and other charges based on historical actuals. The SGR reduction is related to Breeder Awards and is meant to correspond with historical revenue collections, which have been lower than their expenditure authority. This reduction will have no programmatic impact as LRC has been funding Breeder Awards to the extent the revenues for them are collected. The reduction in Statutory Dedications is due to excess budget authority in the legal services expenditure category.	$0	-$231,422	0
01 - 255	Executive	Financial Institutions	Eliminates 2 compliance examiner positions and associated SGR funding in the depository activity. During the FY 13 budget development, the agency was appropriated $340,730 SGR and 4 positions within this section due to recent bank mergers and bank acquisitions during that time. This personnel reduction essentially eliminates half of the enhancement granted in FY 13.	$0	-$133,278	-2
01 - 255	Executive	Financial Institutions	Reduces funding for attrition ($133,278) and travel/training ($100,000).	$0	-$233,278	0
			Major Reductions for Executive	**-$17,207,427**	**-$324,230,428**	**-15**
03 - 130	Veterans Affairs	Department of Veterans Affairs	Eliminates 2 vacant positions and associated funding ($154,374 SGF and $20,562 Federal). The positions include an administrative assistant position in the Claims Program and a regional manager position in the Contact Assistance Program. According to Veterans Affairs, reducing the positions will have no programmatic impact. Duties related to the regional manager position have been spread among the 4 existing regional manager positions in the Contact Assistance Program. Duties related to the administrative assistant position in the Claims Program will be spread among its existing clerical staff.	-$154,374	-$174,936	-2
03 - 130	Veterans Affairs	Department of Veterans Affairs	Reduces funding for travel, operating services, and supplies in the Administrative Program ($10,000), Claims Program ($48,000) and Contact Assistance Program ($80,000). The reductions are related to .	-$138,000	-$138,000	0
			Major Reductions for Veterans Affairs	**-$292,374**	**-$312,936**	**-2**
04c - 146	Lieutenant Governor	Lt. Governor	Reduces funding for travel ($6,250), operating services ($11,716), supplies ($11,170), professional services ($12,028) and other charges ($121,195) expenditure categories in the Grants Program (LA Serve Commission). The decrease is the result of a reduction to federal matching funds from the Federal Corporation for National & Community Service (CNCS). CNCS is devoted to promoting community service as a means to solving problems faced by communities throughout the nation.	-$162,359	-$162,359	0
			Major Reductions for Lieutenant Governor	**-$162,359**	**-$162,359**	**0**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
04d - 147	Treasury	State Treasurer	Reduces funding ($209,139 IAT, $935,217 SGR and $112,500 Statutory Dedications) due to delaying acquisitions, potential reductions in WAEs (potentially 5 positions), operating services, administrative expenses, advertising, supplies and contracts. The most significant reduction will impact the Debt Management Program in the amount of $441,727. According to State Treasury, reductions will impact general network and website support, court reporting services for the Bond Commission meetings, software maintenance, acquisitions and modifying the current contract with Lamont. Lamont is the state's financial advisor with a current total contract value of $550,000.	$0	-$1,256,856	0
04d - 147	Treasury	State Treasurer	Reduces funding from the statutorily dedicated Medicaid Trust Fund for the Elderly. There are very little resources available in this statutorily dedicated fund to invest. Thus, State Treasury does not need the administrative costs associated with the investment of these funds. The FY 16 budget has no recommended funding from the Medicaid Trust Fund the Elderly in State Treasury or the Department of Health & Hospitals (DHH).	$0	-$818,768	0
			Major Reductions for Treasury	**$0**	**-$2,075,624**	**0**
04e - 158	Public Service Commission	Public Service Commission	Reduces funding from the statutorily dedicated Utility & Carrier Inspection & Supervision Fund and the Telephone Solicitation Relief Fund in the Administrative Program ($365,798) and Support Services Program ($273,240) to reflect the Revenue Estimating Conference estimates. The Administrative Program will reduce personal services, operating services and acquisitions; and the Support Services Program will reduce Salaries ($126,643) and Related Benefits ($146,597). In FY 16, combined funding for the Administrative Program and Support Services Program comes from the Utility & Carrier Inspection & Supervision Fund and Support Services Program is $5,356,851, while the Administrative Program will receive additional funding from the Telephone Solicitation Relief Fund for the Administrative Program in the amount of $241,301.	$0	-$639,029	0
			Major Reductions for Public Service Commission	**$0**	**-$639,029**	**0**
04f - 160	Agriculture & Forestry	Agriculture & Forestry	Eliminates 2 positions and associated funding ($132,912 SGF and $76,015 from the Petroleum & Petroleum Products Fund) for personal services. One position will be eliminated in the Animal Health & Food Safety Program and other position is in the Agro-Consumer Services Program.	-$132,912	-$208,927	-2
04f - 160	Agriculture & Forestry	Agriculture & Forestry	Reduces funding ($4,239,062 SGF and $945,725 SGR) in the Management & Finance ($1,660,519), Agricultural & Environmental Sciences ($164,032), Animal Health & Food Safety ($687,688), Agro-Consumer Services ($21,380), Forestry ($1,660,274), Soil & Water Conservation ($45,169), and Auxiliary Account ($945,725). This reduction will be achieved by attrition, closing a maintenance garage, reducing expenditures for fuel and other non-critical supplies, suspending operations of the Indian Creek Recreation Area during non-peak times, reorganizing wildfire suppression efforts, closing stand-by locations for firefighters, closing the seedling orchards and nurseries, scaling back efforts for forest management and education, reducing the number of inspections in plants and in the field, and reducing the number of laboratory samples analyzed.	-$4,239,062	-$5,184,787	0
			Major Reductions for Agriculture & Forestry	**-$4,371,974**	**-$5,393,714**	**-2**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
04g - 165	Insurance	Commissioner of Insurance	Eliminates 4 positions and associated funding fo personal services and operating costs in the Administrative Program. The department initialized a retirement incentive program to generate vacant positions in lieu of layoffs. The retirement incentive is calculated at a maximum 50% of the actual agency savings (50% of remaining salary less termination pay). LDI reports that its efficiency plans include reducing expenditure categories based on historic excess budget authority by expenditure line item and through anticipated savings associated with fewer positions. The department offered anticipated achievable savings but was unable to report to the LFO any anticipated impacts on service delivery as LDI management continues working through reorganization plans to optimize efficiencies while maintaining regulatory operating levels.	$0	-$816,905	-4
04g - 165	Insurance	Commissioner of Insurance	Eliminates 14 positions and associated funding for personal services and operating costs in the Market Compliance Program. The department initialized a retirement incentive program to generate vacant positions in lieu of layoffs. The retirement incentive is calculated at a maximum 50% of the actual savings to the agency (50% of remaining salary less termination pay). LDI reports that its efficiency plans include reducing expenditure categories based on historic excess budget authority by expenditure line item and through anticipated savings associated with fewer positions. The department offered anticipated achievable savings but was unable to report to the LFO any anticipated impacts on service delivery as LDI management continues working through reorganization plans to optimize efficiencies while maintaining regulatory operating levels.	$0	-$1,280,609	-14
			Major Reductions for Insurance	**$0**	**-$2,097,514**	**-18**
05 - 252	Economic Development	Business Development	Non-recurs one-time SGF for economic development in support of communities that are impacted by the mission and population fluctuations at military installations affected by the Federal Base Realignment and Closure Commission including, but not limited to, Fort Polk, Barksdale Air Force Base, the Naval Air Station Joint Reserve Base and Marine Forces Reserve located in Belle Chasse.	-$525,000	-$525,000	0
05 - 252	Economic Development	Business Development	Eliminates funding for the New Orleans BioInnovation Center (Wet Lab). With this reduction, the state will provide no funding to the center in FY 16. The Center assists biotechnology-related companies in commercializing technologies developed at local universities or in private companies. The Center's clients develop medical devices, therapeutics, health IT platforms, diagnostics, and environmental/clean technologies. The New Orleans BioInnovation Center reports that it is not financially viable on a long-term basis without continued state support.	-$719,140	-$719,140	0
05 - 252	Economic Development	Business Development	Reduces funding in the Executive & Administration Program for travel expenditures ($525,000).	-$525,000	-$525,000	0
			Major Reductions for Economic Development	**-$1,769,140**	**-$1,769,140**	**0**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
06 - 261	Culture, Recreation & Tourism	Office of the Secretary	Non-recurs one-time funding used for promotional purposes for the NOLA Motorsports Park.	-$500,000	-$500,000	0
06 - 262	Culture, Recreation & Tourism	State Library	Reduces funding for internet services provided to local branches ($200,000); decrease Inter Library Loan delivery services from 5 days a week to 3 day per week ($99,000); research and reference database subscriptions ($118,000); a reduction in Library operational hours; and state aid to public libraries ($683,000).	-$1,100,000	-$1,100,000	0
06 - 267	Culture, Recreation & Tourism	Tourism	Non-recur one-time funding ($350,000 SGF and $4 M Statutory Dedications) allocated to the following events: NOLA Motorsports Park ($4 M from the Mega-project Development Fund); Bayou Classic ($250,000 SGF), and New Day Foundation for the 2014 National Baptist Convention ($100,000 SGF).	-$350,000	-$4,350,000	0
			Major Reductions for Culture, Recreation & Tourism	**-$1,950,000**	**-$5,950,000**	**0**
07 - 276	Transportation & Development	Engineering & Operations	Non-recurs funding from the statutorily dedicated Geaux Pass Transition Fund in the District Operations Program. Act 274 of 2013 provides that from the balance of the Geaux Pass Transition Fund as of 6/30/2014, up to 30% will be appropriated to DOTD for operational and maintenance costs of the New Orleans ferries, formerly operated by the Crescent City Connection Division. The 30% allowable funding was appropriated by BA-7 in FY 15 and is no longer available for ferry operations.	$0	-$680,881	0
07 - 276	Transportation & Development	Engineering & Operations	Non-recurs funding from the statutorily dedicated Crescent City Transition Fund (CCTF) in the District Operations Program. Act 274 of 2013 provided that a total of $1.4 M of the monies in the CCTF would be used for operating costs of the ferries formerly operated by the Crescent City Connection Division. The Act specified that $700,000 would be appropriated in FY 14 and an equal amount in FY 15. The funding source is not available in FY 16. According to the newest ferry contract amendment, funding for ferry operations in FYs 16 - 18 will be allocated at $4.8 M per year to continue current service levels ($4 M Transportation Trust Fund-Regular and $830,000 New Orleans Ferry Fund). The balance in the Crescent City Connection Transition Fund at the close of FY 15 was $11.5 M, of which $8.4 M is reserved for capital outlay projects. The balance will be utilized by the New Orleans Regional Planning Commission for future enhanced services (maintenance, mowing, litter abatement, etc.).	$0	-$700,000	0
07 - 276	Transportation & Development	Engineering & Operations	Reduces the Transportation Trust Fund - Regular budget authority associated with the implementation of GEMS Recommendation #1 for DOTD in the District Operations Program. This recommendation consolidates select business office functions housed in the 9 highway districts into a regional or central model in order to eliminate redundant functions, improve processes and take advantage of economies of scale. The areas of potential savings focus on combining resources of the departments' district offices and taking advantage of economies of scale for maintenance, janitorial, supplies, equipment sharing, etc.	$0	-$2,000,000	0
07 - 276	Transportation & Development	Engineering & Operations	Reduces the Transportation Trust Fund - Regular budget authority associated with the implementation of GEMS Recommendation #2 for DOTD in the District Operations Program. This recommendation reduces the construction equipment fleet for DOTD in order to maximize current fleet utilization. A RFP was issued for the selection of a vendor to develop a revolving fund model to be used for a department-wide consolidated fleet. etc.	$0	-$575,000	0
			Major Reductions for Transportation & Development	**$0**	**-$3,955,881**	**0**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08A -	Corrections	Department Wide	Reduces funding due to the Span of Control (ratio of supervisors to staff) recommendations contained in the GEMS report. The savings is based on increasing supervisors' span of control through attrition. Savings result from increasing span of control from 1:3.7 to 1:4.5. This recommendation results in the conversion of supervisor positions to line staff positions when they become available. The LA State Penitentiary and Adult Probation & Parole will realize a reduction of $60,000 each; and Avoyelles CC, LA Correctional Center for Women, Dixon CC, Elayn Hunt CC, David Wade CC, and B.B. Sixty Rayburn CC will realize a reduction of $30,000 each.	-$300,000	-$300,000	0
08A - 400	Corrections	Administration	Reduces funding provided for offsite offender healthcare based on savings realized through organizational restructuring. Funding in FY 16 totals $30 M.	-$12,000,000	-$12,000,000	0
08A - 400	Corrections	Administration	Eliminates funding for professional services (legal services contracts) incurred as a result of the Knapp's trial relative to a prison uprising at LA State Penitentiary.	-$600,000	-$600,000	0
			Major Reductions for Corrections	**-$12,900,000**	**-$12,900,000**	**0**
08B - 419	Public Safety	State Police	Eliminates non-recurring funding from the statutorily dedicated Natural Resource Restoration Trust Fund ($112,960,765) and the Oil Spill Contingency Fund ($33,315,163) for expenses associated with the Deepwater Horizon event. Of the $146.3 M, $1.2 M was utilized for personnel expenses within State Police and $30.4 M was used for Other Charges expenses which included travel, operating expenses and professional services. These services included legal services, laboratory and analytical services and scientific services related to the oil spill. The remaining $114.6 M was used for IAT expenses that were transferred to the following agencies handing oil spill related activities: Executive ($230,000); Coastal ($17.2 M); Attorney General ($15 M); Natural Resources ($296,000); Environmental Quality ($700,000); Wildlife & Fisheries ($3 M); Coastal Capital Outlay (73.6 M); and Wildlife & Fisheries Capital Outlay ($4.6 M).	$0	-$146,275,928	0
08B - 419	Public Safety	State Police	The net decrease of $9.9 M is a result of a decrease in SGR of $18 M and an increase in statutorily dedicated funds by $8.1 M. The increases in statutorily dedicated funds will be used to fund state trooper pay raises, a cadet training academy and operating services. The $18 M decrease in SGR is reducing budget authority that was added during the FY 15 budget development process to fund the state troopers pay raises as a result of the enactment of Act 641 of 2014. However, Act 641 of 2014 created a statutorily dedicated fund and did not increase SGR. The $8.1 M increase in statutorily dedicated funds is the result of MOF swaps between the Insurance Verification System Fund ($7.5 M increase), Debt Recovery Fund ($5 M increase), Transportation Trust Fund ($2.5 M increase) and the Riverboat Gaming Enforcement Fund ($6.9 M decrease). SGR ($18,000,000) Riverboat Gaming Enforcement ($6,898,359) Insurance Verification System $7,516,543 Debt Recovery $5,000,000 Transportation Trust $2,503,854 **Total** **($9,877,962)**	$0	-$9,877,962	0
08B - 420	Public Safety	Motor Vehicles	Reduces funding from the statutorily dedicated Motor Vehicles Customer Service & Technology for IT related expenditures in other charges category due to projected revenue collections.	$0	-$402,614	0
08B - 424	Public Safety	Liquefied Petroleum Gas Commission	Reduces funding from the statutorily dedicated LP Gas Rainy Day Fund for personal services ($163,651), travel ($32,213) and acquisitions ($90,114) due to projected revenue projections.	$0	-$285,978	0
			Major Reductions for Public Safety	**$0**	**-$156,842,482**	**0**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08C - 403	Youth Services	Juvenile Justice	GEMS savings recommendations to adjust probation and parole officer's caseloads ($942,000), increase Title IV-E funds to OJJ ($373,000), non-secure residential programs improvements ($819,000), increase in span of control ($314,000) and relocation of youth from the Jetson Center for Youth to other secure care facilities within the department ($4,552,062).	-$7,000,062	-$7,000,062	0
			Major Reductions for Youth Services	**-$7,000,062**	**-$7,000,062**	**0**
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	Strategic reductions in contracts and discretionary expenditures. This adjustment reduces professional services contracts as follows: ($5,544) for psychological and positive behavioral support services impacting 55 families, children and adults through diminished services to address challenging behaviors that place children at-risk for out of home placements and ($55,000) for addiction services. The Authority reports an incumbent child psychiatrist will be retiring and that it can generate personal services savings of ($45,056) by hiring a less experienced replacement.	-$105,600	-$105,600	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Non-recurs funding for the Individual & Family Support (IFS) Program, seeking to supplement historical base-level funding to account for behavioral health and developmental disability service expenditure needs within the Florida Parishes Human Services Authority geographic footprint. During FY 15, this funding supported approximately 98 unduplicated individuals receiving IFS services. These services focus on enabling individuals to receive services within the community rather than in an institutionalized setting.	-$490,000	-$490,000	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Strategic reductions in contracts and discretionary expenditures. FPHSA reports ($364,765) in annualized savings realized by the privatization of its pharmaceutical services. FPHSA reports that it will be able to leverage Disability Determination Services, Mental Health Services, Flexible Family Funds and Individual Family Supports contracts with LINCCA to provide the same level of service at a reduced cost to the agency for a savings of ($291,394).	-$656,159	-$656,159	0
09 - 302	Health & Hospitals	Capital Area Human Services District	Non-recurs funding for the Individual & Family Support (IFS) Program, seeking to supplement historical base-level funding to account for behavioral health and developmental disability service expenditure needs within the Capital Area Human Services District geographic footprint. This elimination of funds is projected to return IFS services to the FY14 level.	-$555,000	-$555,000	0
09 - 302	Health & Hospitals	Capital Area Human Services District	Strategic reduction in contracts and discretionary expenditures. This adjustment will reduce contract expenditures as follows: ($50,000) reduce the Mental Health Family Flexible Fund by moving 49 cash subsidy stipend slots into LINCCA, ($302,950) reduction in payments to the BR Area Alcohol & Drug Center impacting 2 adult female social detox beds* and 5 adult medically supported detox beds, ($52,492) reduction in payments to La Industries for the Disabled, Inc. providing a reduction in stay from 1 year to six months for residential adult female beds for the homeless with mental illness and co-occurring addictions, ($150,916) for O'Brien House providing residential male/female adult beds for homeless or at-risk individuals, ($81,000) reducing 5 of 10 indigent slots receiving services from mobile outreach mental health teams, ($13,200) reduction of 10% funding ($4,400 each) to Bonne Sante Center*, Iberville Parish* and West Baton Rouge Parish* for outpatient recovery treatment, and ($13,847) reduction for part-time contract administrative support and billing staff at West & East Feliciana Addiction Recovery Clinics*. *Some of these providers and/or services will receive offsetting Substance Abuse Prevention & Treatment Block Grants.	-$664,405	-$664,405	0
09 - 304	Health & Hospitals	Metropolitan Human Services District	Non-recurs SGR funding associated with the waiver for the Greater New Orleans Community Health Connection (GNOCHC) covering primary and mental health care visits for residents of specified parishes within the MHSD. This program is eliminated in the Medicaid Program for FY 16.	$0	-$175,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 304	Health & Hospitals	Metropolitan Human Services District	Strategic reduction in contracts and discretionary expenditures. This adjustment reduces contract expenditures by $659,145 as follows: ($200,000) by capping the uninsured treatment slots at 25 per team for the 3 Assertive Community Treatment teams providing outpatient mental illness services, ($70,000) reduction to Family Services & National Alliance on Mental Illness for the Community Psychiatric Supports & Treatment program to match projected utilization, ($78,145) elimination of funding to Plaquemines Cares for a behavioral health court liaison, ($55,000) to reduce Family Functional Therapy services to match expected billings, ($156,000) elimination of one-time bridge funding for MD services, and ($100,000) to reduce the developmental disabilities budget to pre-LINCCA levels. This adjustment also reduces funding for non-T.O. positions in the amount of ($234,875) by consolidating management functions to eliminate one vacant director position, restructure the flex funds program to eliminate one Community Service Professional vacancy and to restructure administrative support for the Developmental Disabilities department to eliminate one vacant support position.	-$894,020	-$894,020	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Reductions in contracts and discretionary expenditures ($1,249,928 SGF, $83,125 IAT and $5,509,541 Federal).	-$1,249,928	-$6,842,594	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Reduces funding ($1,918,225 IAT and $3,079,691 Federal) for the Greater New Orleans Community Health Connection (GNOCHC). The source of IAT is Community Development Block grant funding. The source of Federal funds is Title 19 federal financial participation. The GNOCHC is a Medicaid demonstration waiver that allowed Medicaid reimbursement for uncompensated care costs to various waiver providers (clinics) in the greater New Orleans area. Specifically, the program provides low income uninsured adults with coverage for certain primary care and behavioral health services. Total funding for this program in FY 16 is $21,169,623.	$0	-$4,997,916	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Eliminates funding ($18 M SGF, $11 M IAT and $31,065,876 Federal) for certain legacy expenses at LSU Shreveport and LSU New Orleans associated with the public private partnership arrangements. The source of IAT is revenue from the Office of Public Health. The source of Federal funds is Title 19 federal financial participation. **SGF / IAT / Federal / Total** LSU Shreveport: ($8,000,000) / ($11,000,000) / ($31,065,876) / ($50,065,876) LSU HCSD: ($10,000,000) / $0 / $0 / ($10,000,000) **Total: ($18,000,000) / ($11,000,000) / ($31,065,876) / ($60,065,876)**	-$18,000,000	-$60,065,876	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Eliminates funding ($2,252,674 SGF and $4,291,040 Federal) for the LaHIPP Program. The source of Federal funds is Title 19 federal financial participation. The LaHIPP Program provides some or all health insurance premiums for an employee and family through their job (if someone in the family is Medicaid eligible). LaHIPP payments are made when LA Medicaid calculates that it is more cost effective for the Medicaid Program to pay a private health insurance premium for the family than the overall costs of the individual in LA Medicaid. It is projected that the program will be cost effective for those enrolled in MCO's.	-$2,252,674	-$6,543,714	0
09 - 306	Health & Hospitals	Medical Vendor Payments	GEMS projected savings ($33,922,000 SGF and $55,747,573 Federal). The total SGF impact is based on 11 specific initiatives, and include the following: 1) Inpatient Hospital payment savings from providing additional STI treatment 2) Inpatient Hospital payment savings through birthing options 3) Capitated rate (PMPM) savings through implementation of Disease Management 4) Capitated rate (PMPM) savings through provider contract consolidation (Transportation) 5) Payment savings as a result of modifying Pediatric Day Health Care Program 6) Nursing Home payment savings from adding new PACE facility (managed care or elderly) 7) Nursing Home payment savings from transitioning certain individuals to community based settings 8) Capitated rate (PMPM) payment savings through implementation of a sub acute rate for nursing home providers 9) Waiver payment savings through implementation of electronic visit verification system 10) Capitated rate payment savings from elimination of improper Medicaid payments 11) Pharmacy savings	-$33,922,000	-$89,669,573	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Reduces funding ($2,007,300 SGF and $3,283,422 Federal) for Medicaid claims payments by implementing 2 payment changes to providers. The source of Federal funds is Title 19 federal financial participation. Implement Sub Acute Rate: ($300,000 SGF savings) - Total decrease in capitated rate payments to acute hospitals as a result of implementing a sub acute payment rate for nursing home providers. Savings are generated due to the new rate being lower than the acute hospital rate resulting in a net savings to LA Medicaid Program. The FY 16 projected nursing home average daily rate is $161.95 (same as FY 15). Based on discussions with the department, the FY 16 sub acute rate is not yet determined nor implemented, but it is anticipated to be set between $350 and $450 per day. Implement Triage Rate: ($1,707,300 SGF savings) - Flat fee intended to reimburse hospitals for expenses when an Emergency Room visit is determined "non-emergent" based on diagnosis codes.	-$2,007,300	-$5,290,722	0
09 - 307	Health & Hospitals	Office of Secretary	Strategic reductions in contracts and discretionary expenditures. Specific decreases include reductions in contracts ($275,000), travel ($26,707), operating services ($55,608), supplies ($17,650), and other charges ($154,637).	-$529,602	-$529,602	0
09 - 307	Health & Hospitals	Office of Secretary	Reduces excess federal budget authority associated with the Hospital Preparedness Grant. These grant funds were received from the federal Department of Health & Human Services (HHS) for Statewide Hospital Preparedness planning. DHH has contracted with the LA Hospital Association (LHA) Research & Education Foundation to carry out the deliverables of the HHS grant. The specific purposes of the grant are: 1) to allocate federal money to hospitals and emergency medical services providers in support of the bioterrorism preparedness and other public health emergencies; 2) to continue strengthening regional infrastructures; 3) to develop regional response plans; and 4) to conduct hospital needs assessments to help in meeting HHS grant goals. Specifically, funding has been distributed to hospitals to address regional needs concerning interoperable communication systems, bed tracking, fatality management planning, pandemic influenza planning and hospital evacuation planning. Hospitals have also been allocated funding to increase surge beds, decontamination capabilities, isolation capacity, pharmaceutical supplies, training, drills and exercises through Hospital Preparedness Program (HPP) funds. Information received by DHH indicates it has received approximately $69 M in such funds since 2002.	$0	-$1,005,000	0
09 - 310	Health & Hospitals	Northeast Delta Human Services Authority	Strategic reduction in contracts and discretionary expenditures. This adjustment reduces contract expenditures as follows: ($413,070) B&B of Marion, LLC Rayville Recovery to provide structured inpatient addictive disorder treatment and detoxification services, ($4,790) Northeast LA Substance Abuse, Inc. for outpatient addictive disorder treatment, ($7,350) Region 8 Community Health Task Force to provide mental health training services, ($40,525) Rays of Sonshine, Inc. to provide residential addictive disorder treatment to women and women with children, and ($38,906) to various staff physicians and psychiatrists providing services to patients and medical consultations to members of clinic staff based on historical contract utilization rates and travel reductions in physician contracts.	-$504,641	-$504,641	0
09 - 320	Health & Hospitals	Aging & Adult Services	Non-recurs federal budget authority in the Administration Protection & Support Program. The source of Federal funds was a demonstration grant to coordinate respite care across the lifespan of an individual. The total grant award is $188,838 for 3 years. Respite grant funds cannot be spent on direct care services. Specifically, the grant focused on educating consumers, potential providers, relevant agencies and social workers about respite resources through the state. Also, funds from the grant will be used to update the LA Answers web site with a special "Respite" category and add a central list for all respite providers in the state. The Louisiana Answers web site assists older adults and persons with disabilities in locating supportive services and eldercare resources in their community.	$0	-$112,526	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 320	Health & Hospitals	Aging & Adult Services	Decreases IAT funding from the DOA Office of Community Development Block Grant (CDBG) in the Administration Protection & Support Program for the Permanent Supportive Housing (PSH) Program. The PSH Program links affordable rental housing to people with severe and complex disabilities, enabling them to live successfully in the community. The DHH consolidated the PSH programs and transitioned eligible recipients in the PSH Program from CDBG to funding under Medicaid 1915(c) waivers and 1915(i) programs which is a more sustainable funding source.	$0	-$3,378,000	0
09 - 325	Health & Hospitals	Acadiana Area Human Services District	Non-recurs SGF budget authority for the Individual & Family Support (IFS) Program, seeking to supplement historical base-level funding to account for behavioral health and developmental disability service expenditure needs within the AAHSD geographic footprint. The funding provided IFS services to 10 individuals in FY 15.	-$40,000	-$40,000	0
09 - 326	Health & Hospitals	Public Health	Decreases SGR for certain legacy expenses at LSU Shreveport associated with the public private partnership arrangements. Legacy expenses include risk management premiums and retiree group insurance premiums.	$0	-$11,000,000	0
09 - 330	Health & Hospitals	Behavioral Health	Strategic reduction in contracts and discretionary expenditures. This adjustment reduces SGF support as follows: a contract with the University of Maryland to provide training and technical assistance on the implementation of wraparound services ($99,270), other compensation ($96,014) for expenditures related Work as Employed (WAE) employees based on historical expenditure levels, and professional services ($55,203) based on historical expenditure levels. This adjustment reduces funding from the statutorily dedicated Compulsive & Problem Gaming Fund ($19,500) used by the 26th Judicial District Attorney's Office to provide gambling treatment services (11 clients served in FY 14). This adjustment also changes the payor source for certain activities ($397,800 SGF reduction and $397,800 Federal Direct increase), allowing OBH to draw down Federal Financial Participation (FFP) to cover the costs of employees monitoring the LA Behavioral Health Partnership.	-$648,287	-$269,987	0
09 - 330	Health & Hospitals	Behavioral Health	Reduces Temporary Assistance for Needy Families (TANF) funding by 10% for the substance abuse initiative due to lower projected revenues. TANF funds provide residential addiction treatment services for pregnant women and women with dependent children. The reduction in funding may result in individual women receiving lower levels of care (non-residential), although the availability of services is unknown. This reduction will result in an 11-bed reduction for residential addiction treatment and will impact approximately 44 individuals on an annualized basis.	$0	-$305,946	0
09 - 330	Health & Hospitals	Behavioral Health	Strategic reduction in contracts and discretionary expenditures. This adjustment reduces SGF ($612,381) and IAT ($72,342) budget authority for various contracts such as: aftercare transition services, psychiatric services for community placement transitioned clients, speech therapy services based on historical expenditure levels, deaf interpreter services at Eastern LA Mental Health System (ELMHS) based on historical expenditures levels, and reduces routine travel expenditures at ELMHS and CLSH (conferences, conventions, travel reimbursement). This adjustment defunds the Developmental Neuropsychiatric Program (DNP) and will result in a layoff of 4 positions. The DNP Program provided intensive outpatient therapy for children between 2 and 22 years old. Admissions to the program ceased on 3/1/2015, and current clients were transitioned into alternative services. This adjustment reduces IAT authority for various contracts for minister/spiritual assessment services at ELMHS, Protestant chaplaincy/Catholic chaplaincy/spiritual assessment services at Central LA State Hospital (CLSH), and based on historical expenditure levels there will be reductions at CLSH for psychiatric physician services, RNs, CNAs, medical consultations, speech therapy, psychiatric services and audiologist services.	-$612,381	-$684,723	-4
09 - 340	Health & Hospitals	OCDD	Decreases funding at Pinecreast Supports & Services Center ($799,970 SGF and $1,474,985 IAT - Title 19 Medicaid).	-$799,970	-$2,274,955	0
			Major Reductions for Health & Hospitals	**-$63,931,967**	**-$197,055,959**	**-4**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
10 - 360	Children & Family Services	Children & Family Services	Non-recurs federal budget authority associated with the LA Disaster Case Management grant from the Federal Emergency Management Agency (FEMA). DCFS subcontracted with Catholic Charities Archdiocese of New Orleans (CCANO) to serve as project management/lead provider and to provide disaster case management services in the south shore/river parishes. CCANO subcontracted with Catholic Charities Diocese of Baton Rouge to provide disaster case management in the Capital Area, Lutheran Social Services Disaster Response to provide disaster case management on the north shore, and Terrebonne Readiness and Assistance Coalition to provide disaster case management services in the coastal parishes. The purpose of the grant was to provide disaster case management services throughout the 26 parish designated area. The grant ended 12/1/2014.	$0	-$3,867,154	0
10 - 360	Children & Family Services	Children & Family Services	Reduces excess budget authority associated with the consolidation of IT services into the Office of Technology Services (OTS).	$0	-$6,692,518	0
10 - 360	Children & Family Services	Children & Family Services	Reduces funding ($3.4 M SGF and $6.6 M Federal) for the Modernization Project in the Administration & Executive Support Program. The Modernization Project is a 5-year initiative and FY 16 represents its final year of implementation. The decrease in funding represents the completion of the programming and development stages of the project. The goal of the Modernization Project is to transform the service delivery of DCFS to allow clients multiple ways to apply for services and access services. As a result, clients will no longer have to visit physical DCFS office locations or travel to multiple locations to do business with DCFS. The modernization project includes: (1) customer service call center; (2) electronic case records and document imaging; (3) customer service portal that has a web based application for services and allows clients to access their case record to view basic case information; (4) provider portal that allows providers to view and update basic information regarding invoice, payments, and fees; and (5) worker portal that allows DCFS staff to update and maintain client case information. In FY 16, the Modernization Project is budgeted at $21,247,075 ($1.745 M SGF, $2,616,270 IAT and $16,885,075 Federal).	-$3,400,000	-$10,000,000	0
10 - 360	Children & Family Services	Children & Family Services	Decreases funding ($1,662,723 SGF and $1,662,723 Federal) for the call center contract with Xerox Corporation due to reduced level of utilization (incoming calls from clients) based upon implementation of the last phase of Modernization Project, Common Access Front End (CAFE). The CAFE worker portal will allow department staff to electronically process SNAP cases in parish field offices. In addition, the CAFE customer portal allows clients to create an online account, check the status of their application, complete online applications, reapplications, and submit re-determinations and renewals for continued support. In FY 16, the department will utilize existing staff to maintain an in-house call center.	-$1,662,723	-$3,325,446	0
			Major Reductions for Children & Family Services	**-$5,062,723**	**-$23,885,118**	**0**
11 - 431	Natural Resources	Office of Secretary	Reduces IAT funding from the Department of Environmental Quality (DEQ) and the Department of Wildlife & Fisheries (LDWF) associated with paying for back-office functions (HR, Procurement, & IT) to the Division of Administration (DOA). The areas of HR, IT and Procurement for LDWF, DEQ, and DNR were merged as a result of a DOA decision in FY 14 to reduce T.O. staffing by 1/3 for back-office functions. Formerly, DNR used IAT funding from DEQ and LDWF to pay DOA for back-office functions, but the consolidation of DEQ, LDWF, and DNR back-office functions will reverse the consolidation causing DEQ and LDWF to pay DOA directly for services used by all 3 agencies. Since DNR no longer needs IAT funding to pay for back-office functions, they are reducing the excess IAT authority that is no longer needed.	$0	-$3,062,317	0
11 - 431	Natural Resources	Office of Secretary	DNR released floor space in the LaSalle Building back to Division of Administration (DOA) so that it could be leased to other departments.The floor space released accounts for half of the 11th floor which is approximately 12,000 square feet. The reduction of floor space coincided with the IT and Procurement sections being combined with DOA. After the merger with DOA, DNR repositioned some sections and was able to release the space.	-$300,000	-$300,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
11 - 431	Natural Resources	Office of Secretary	Reduces one-time federal funding budget authority from the Auxiliary Account. Funding was provided through the Federal Energy Settlement (FES) and Petroleum Violation Escrow (PVE) funds which are collected by the federal government when certain laws and regulations are broken by energy companies and then distributed to state agencies.	$0	-$5,875,000	0
11 - 431	Natural Resources	Office of Secretary	Non-recurs IAT budget authority received from the Office of State Police for Deepwater Horizon oil spill related expenditures. The funding was used to monitor and document the impact of the spill on the LA coastline. As oil spill related expenditures decrease, DNR is reducing the budget authority that was once allotted for the funds.	$0	-$175,000	0
11 - 432	Natural Resources	Conservation	This is a reduction to correct the misalignment between the salaries and related benefits created in the department by the retirement incentive offered on 7/1/2014 to help reduce personal services expenditures. Due to the budget being developed far in advance of the incentive plan, the additional retiree related benefits had been underfunded. However, there were sufficient vacancy savings to offset the shortage. This budget reduction merely aligns the personal services expenditure categories. The following expenditure categories have been impacted: salaries ($200,000) and other chargers ($190,000) were decreased while related benefits ($40,000) were increased, creating a $350,000 total reduction to align more closely with actual expenditures.	$0	-$350,000	0
11 - 434	Natural Resources	Mineral Resources	Reduces funding ($150,000 SGF and $200,000 Statutory Dedications) due to the closure of the Dallas audit office of the Mineral Income Division, shifting the 4 personnel to either the Houston or Baton Rouge audit offices. The Mineral Income Division performs collection, accounting, and auditing of revenue due to the state from mineral leasing activity of state-owned land and water bottoms on behalf of the Mineral Board. Depending upon the need of the office of reassignment, current personnel will either remain field auditors or convert to desk auditors.	-$150,000	-$350,000	0
11 - 434	Natural Resources	Mineral Resources	Reduces funding for other compensation ($10,000), travel ($30,000), professional services ($200,000), and other charges ($150,000). The professional services reductions will remove excess budget authority for legal contracts in concurrent cases. Concurrent cases are cases in which 2 or more courts may simultaneously have jurisdiction over a specific legal action. The costs of these concurrent cases and other, potentially new litigation could not be anticipated by DNR at the time of this writeup, making the impact of the reduction uncertain. Reduction in other charges represents the expiration of a contract with METHODS Technology Solutions that assists with the maintenance of the Strategic Online Natural Resources Information System (SONRIS). SONRIS is a multifaceted system that allows users to access oil and gas information, coastal information, and historical records while also providing an interactive mapping program that allows users to examine various geological characteristics of an area.	-$390,000	-$390,000	0
11 - 435	Natural Resources	Coastal Management	Non-recurs IAT budget authority received from the Office of State Police for Deepwater Horizon oil spill related expenditures. The funding was used to monitor and document the impact of the spill on the LA coastline. As oil spill related expenditures decrease, DNR is reducing the budget authority that was once allotted for the funds.	$0	-$121,000	0
11 - 435	Natural Resources	Coastal Management	Reduces funding from the statutorily dedicated Coastal Resources Trust Fund ($300,000) and Federal funds ($25,000) based on the average of the prior 3 years. The adjustment is necessary to realign budget authority to reflect projected revenues within Coastal Management. Travel ($25,000) and other charges ($300,000) will be reduced to reflect the decrease in projected revenues.	$0	-$325,000	0
			Major Reductions for Natural Resources	**-$840,000**	**-$10,948,317**	**0**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
12 - 440	Revenue	Office of Revenue	Reduces SGR in the Tax Collection Program and eliminates excess authority in various expenditure categories to more closely align with anticipated expenditures and revenues based on historical actuals. The agency typically does not spend its entire SGR appropriation but is allowed to retain excess SGR through language in the General Appropriation Bill (most excess SGR statewide reverts to the SGF).	$0	-$6,972,872	0
			Major Reductions for Revenue	**$0**	**-$6,972,872**	**0**
14 - 474	Workforce Commission	Workforce Support & Training	Reduces excess Statutory Dedications ($61,282) and Federal funds ($6,698,468) budget authority. The adjustment is necessary to realign budget authority to reflect projected revenues and expenditures within LWC. Sources of statutory dedications funding are as follows: $116 Blind Vendors Trust Fund $47,700 Employment Security Administration Account $2,047 Incumbent Worker Training Account $10,733 Office of Workers' Compensation Administration Fund $557 Penalty and Interest Account $129 Workers' Compensation Second Injury Fund $61,282 Total	$0	-$6,759,750	0
			Major Reductions for Workforce Commission	**$0**	**-$6,759,750**	**0**
16 -	Wildlife & Fisheries	Department Wide	Non-recurs IAT budget authority for funding received from the Office of State Police for Deepwater Horizon oil spill related expenditures. The funding had been used to monitor and document the impact of the spill on wildlife, fish, and their habitats. As oil spill related expenditures decrease, LDWF is reducing the budget authority that was once allotted for these funds.	$0	-$7,564,765	0
16 - 512	Wildlife & Fisheries	Office of Secretary	Non-recurs Federal funds for one-time grant funding pursuant to a National Oceanic and Atmospheric Administration Joint Enforcement Agreement that allowed the Enforcement Division to have a greater presence offshore in the Gulf of Mexico and inland. The Enforcement Division performs traditional duties such as upholding laws and regulations as well as conducts search and rescue boating operations, boating safety courses, and hunting and fishing accident investigations. This grant is reduced annually and once the funds are disbursed for the next fiscal year, an amendment to the budget is requested so that the funding can be received.	$0	-$107,849	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Reduces federal budget authority due to a decrease in the Sportfish Restoration Grants. The grant is based on an excise tax on guns and ammunition. After individuals purchase firearms and ammunition, the manufacturers pay an excise tax (10-11% depending on firearm type and 11% on ammunition) to the U.S. Fish & Wildlife Service which then allocates funding to State wildlife agencies in the form of grants to be disbursed. There was an increase in gun and ammunition sales in FY 14 that resulted in a high apportionment of funding. In FY 15, gun and ammunition sales decreased to more normalized levels, reducing apportionment. This reduces authority to match the new apportionment. There is no expected impact as a result of the decrease as funding was used for one-time maintenance projects such as bridge repair, water control structure repairs, and Wildlife Management Areas road improvements.	$0	-$5,624,750	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Non-recurs federal budget authority in the Wildlife Program for one-time funding from the National Audubon Society used for land acquisitions. A one-time Section 6 grant was disbursed to purchase critical habitat near Fort Polk. Section 6 grants are specifically used for rare, threatened, and endangered species recovery projects and are distributed by the U.S. Fish & Wildlife Services.	$0	-$500,000	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
16 - 513	Wildlife & Fisheries	Office of Wildlife	Reduces funding from the statutorily dedicated White Lake Property Fund to correlate with projected revenues. The Budget authority was increased for the fund to match a $2.5 M North American Wetlands Conservation Act project for shoreline stabilization on the intercoastal canal. The project fortified the canal shoreline within White Lake to combat erosion from shipping and boating traffic. Total funding from the fund is projected to be approximately $1.2 M in FY 16.	$0	-$336,000	0
16 - 514	Wildlife & Fisheries	Office of Fisheries	Non-recurs federal budget authority for supplemental appropriations for LA Tasks (SALT) disaster recovery grants received from the Gulf State Marine Fisheries Commission. These grants were received after hurricanes Katrina and Rita and were used to repair facilities and replace equipment at the Booker Fowler, Huey P. Long, and Grand Isle Lab Fisheries. The funds also paid for oyster clutch deposits as well as paying oyster fishermen for work performed in the deposits. The state received approximately $100 M in grant funds.	$0	-$20,048,889	0
16 - 514	Wildlife & Fisheries	Office of Fisheries	Non-recurs SGR related to a Seafood Safety Testing agreement with British Petroleum (BP) due to damages to LA fisheries caused by the Deepwater Horizon oil spill. Seafood Safety Testing was contracted to LDWF to research the effects of the oil spill on animals in the gulf and the potential danger from consuming said animals. This was a direct contract with BP and thus appropriated as SGR rather than IAT. Now that the project is complete, the budget authority for the project is being reduced.	$0	-$1,871,827	0
			Major Reductions for Wildlife & Fisheries	**$0**	**-$36,054,080**	**0**
17 - 560	Civil Service	State Civil Service	Reduces IAT funding due to the termination of the Comprehensive Public Training Program (CPTP) contract. The agency will be conducting the training functions in-house and the CPTP contract is no longer needed. The current CPTP contract costs $435,123 while Civil Service can offer the same services for $230,000. Civil Service would be able to provide 100% of instruction services in-house while offering more classes through web-based instructional courses. The expenditure impact of offering in-house training would include $207,000 for personal services for 3 new positions, $7,500 for various operating service costs, and $15,500 for part-time When Actually Employed (WAE) instructors. CPTP contract ($435,123) Personal Services for 3 New positions $207,000 Operating services $7,500 Part-time WAE instructors $15,500 **Total** **($205,123)**	$0	-$205,123	3
17 - 562	Civil Service	Ethics Administration	Reduces funding for other compensation ($18,521), travel ($8,335), and professional services ($50,000). Reductions in other compensation will result in the elimination of a restricted appointment position that served as a receptionist/administrative assistant. Reduction to professional services will reduce the ability of the agency to seek outside legal services, investigators, forensic auditors, or service processors. This existing staff of 40 individuals will perform these tasks in addition to their normal daily office functions.	-$76,856	-$76,856	0
			Major Reductions for Civil Service	**-$76,856**	**-$281,979**	**3**

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19A - 649	Higher Education	LCTCS System	Non-recurs $1.1 M of $6.1 M in SGF used to address equity for some schools in the LCTCS that have experienced rapid growth in recent years. The Board of Regents reports that the $5 M in SGF for FY 16 will be distributed to institutions based on a pro-rata allocation of amounts provided to institutions in FY 15.	-$1,100,000	-$1,100,000	0
			Major Reductions for Higher Education	**-$1,100,000**	**-$1,100,000**	**0**
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	Eliminates 2 vacant positions and associated IAT funding from the DHH for personal services. The positions include an Administrator in the Business Department and Supervisor in the Transitional Life Department. The original source of the IAT is Federal funds (Title 19 federal financial participation).	$0	-$92,995	-2
19B - 662	Special Schools & Comm.	LA Educational Television Authority	Eliminates 4 vacant positions and associated funding in the amount of $382,721 and reduces other compensation funding in the amount of $17,279. The positions being eliminated are TV Producer, TV Engineer Assistant Director, TV Engineer Manager, and TV Engineer.	-$400,000	-$400,000	-4
			Major Reductions for Special Schools & Comm.	**-$400,000**	**-$492,995**	**-6**
19D - 678	Education	State Activities	Reduces funding associated with the elimination of 47 positions. The department did not identified how many of those positions are currently filled.	-$1,900,000	-$1,900,000	-47
19D - 678	Education	State Activities	Non-recurs a line item appropriation for school choice initiatives. Act 15 of 2014 (HB 1) included an appropriation to DOE of $4 M to improve program quality and provide support for choice programs. The DOE issued a Request for Proposals to allow organizations to expand the number of nonpublic school choice options available to students through: 1) the launch of new School Tuition Organizations; 2) the expansion of capacity in current scholarship schools; and 3) the launch of new scholarship schools. For FY 15, BESE approved total contract awards of $2.6 M. Contracts were approved for: 1) Ace Scholarships to establish a School Tuition Organization ($499,750); 2) Three Diocese to expand existing capacity, the Archdiocese of New Orleans ($163,525), the Diocese of Baton Rouge ($75,058) and the Diocese of Shreveport ($110,988); and 3) New Schools for Baton Rouge to launch 2 new scholarship schools ($1.25 M).	-$4,000,000	-$4,000,000	0
19D - 678	Education	State Activities	Reduces funding associated with the elimination of 45 non-T.O. positions within the Education Consultant Series in the District Support Program. The department did not identified how many of those positions are currently filled.	-$1,436,452	-$1,436,452	0
19D - 678	Education	State Activities	Reduces funding for professional services and other charges in the District Support Program ($86,520) and the Administrative Support Program ($482,924).	-$569,444	-$569,444	0
19D - 678	Education	State Activities	Reduces fundng for professional services in the Administrative Support Program.	-$142,500	-$142,500	0
19D - 678	Education	State Activities	Reduces funding for personnel services due to maximizing other means of financing in the Administrative Support Program ($400,000); and $2,645,379 in the District Support Program for personnel services ($200,000), operating expenses ($250,000), other charges ($345,379) and professional services ($1,850,000). The Department of Education has indicated that available federal funding will be utilized to offset these reductions.	-$3,045,379	-$3,045,379	0
19D - 681	Education	Subgrantee Assistance	Eliminates one-time funding totaling $2.7 M including $1.7 M from the Overcollections Fund from the FY 14 Supplemental Appropriation Bill (Act 55) which provided payments of $35,065 to each city, parish, and local public school system, the Recovery School District, Special School District, LSU Lab School, Southern Lab School, LA School for Math, Science & the Arts, New Orleans Center for the Creative Arts, LA Schools for the Deaf & Visually Impaired, and LA Special Education Center in FY 15.	-$1,000,000	-$2,700,005	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19D - 681	Education	Subgrantee Assistance	Reduces federal budget authority for the School Improvement ARRA grant that expired 9/30/2014. Since 2012, 37 schools have been awarded $31.6 M in funding for initiatives to raise student achievement in low performing schools.	$0	-$13,326,516	0
19D - 681	Education	Subgrantee Assistance	Reduces funding for the Student Scholarship for Educational Excellence Program. FY 15 funding totaled $46,184,552 but due to lower than projected enrollment, funding was reduced by $3,765,411 as part of the Mid-Year Reduction Plan. Total FY 16 funding for the Voucher Program is $42,088,001.	-$4,096,651	-$4,096,651	0
19D - 699	Education	Special School Districts	Eliminates of 8 vacant positions and associated funding ($321,442 SGF, $142,887 IAT and $54,889 SGR) for personal services.	-$321,442	-$519,218	-8
			Major Reductions for Education	**-$16,511,868**	**-$31,736,165**	**-55**
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Net SGF reduction due to GEMS recommendations. This adjustment includes savings of $13,185,286 as a result of a reduction in offenders who recidivate ($12,307,246) and for expanding Certified Treatment & Rehabilitation (CTRP) credits at local jail facilities ($878,040). It also includes implementation costs of $5.8 M for transitional work programs ($701,888) and for re-entry programs ($5,160,547). Increasing access to Transitional Work Programs allows low-risk inmates to serve the last portion of their sentences in minimum-security settings while employed in the community. Re-entry programs offer inmates nearing release from prison access to a 90 to 180-day training program that mirrors the 100-hour pre-release curriculum currently offered to offenders in state institutions.	-$7,322,851	-$7,322,851	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Reduces funding associated with a $1 reduction to the per-diem for offenders participating in Transitional Work Programs. Non-contract per-diem will decrease from $15.39 per day to $14.39 per day and contract per-diem will decrease from $11.25 per day to $10.25 per day.	-$1,259,250	-$1,259,250	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Reduces funding based on occupancy levels projections.	-$3,213,372	-$3,213,372	0
20 - 901	Other Requirements	State Sales Tax Dedications	Reduces Statutory Dedications budget authority due to a decrease in funding from various state sales tax dedications arising from state taxes on hotel/motel room rentals. The proceeds of the tax are dedicated to the parish in which the tax was generated for use in certain funds, which are included in this agency. The decreased appropriations are tied to the latest REC estimates, non-recurring use of fund balance and alignment of the appropriation to actual collections. There are 38 funds that were adjusted downward for a total agency reduction of $8,722,054. The largest decreases were in the Lake Charles Civic Center Fund ($4.6 M), Houma/Terrebonne Tourist Fund ($750,000), Terrebonne Parish Visitor Enterprise Fund ($700,000), Ouachita Parish Visitor Enterprise Fund ($600,000), EBR Community Improvement Fund ($521,933), EBR Parish Riverside Centroplex Fund ($300,000), Vernon Parish Legislative Community Improvement Fund ($262,807), EBR Parish Enhancement Fund ($200,000), N.O. Area Tourism and Economics Fund ($156,695), West Calcasieu Community Center Fund ($132,901), West Carroll Parish Visitor Enterprise Fund ($116,958), and St. James Parish Enterprise Fund ($102,191).	$0	-$8,722,054	0
20 - 906	Other Requirements	District Attorneys & Assistant DA	Reduces funding as a result of a lower employer contribution rate that decreases from 7% to 3.5%.	-$985,425	-$985,425	0

Major Reductions in the FY 16 Budget Compared to the FY 15 Budget (TABLE 16)

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
20 - 945	Other Requirements	State Aid to Local Govt. Entities	Reduces various statutorily dedicated funds. The total amount reduced in the FY 16 budget is as follows: St. Landry Parish Excellence Fund ($22,798) Bossier Parish Truancy Fund ($18,253) Greater New Orleans Sports Foundation ($241) Algiers Economic Development Foundation Fund ($36) New Orleans Urban Tourism and Hospitality Training ($52,023) Beautification Project for New Orleans Neighborhoods ($99,673) Friends of NORD Fund ($49,705) Calcasieu Parish Fund ($60,523) Beautification & Improvement of N.O. City Park Fund ($152,671) Rehabilitation for the Blind and Visually Impaired ($215,574) Overcollections Fund ($90,000) **Total** **($761,497)**	$0	-$761,497	0
20 - 966	Other Requirements	Supplemental Pay to Law Enforcement	Reduces funding for supplemental pay to law enforcement personnel. The projected number of eligible Municipal Police Supplemental Pay participants decreased by 450 from 6,413 to 5,963, which results in a savings of $2.7 M (450 less Municipal Police x $6,000 annual payment). The projected number of eligible Firefighters Supplemental Pay participants decreased by 50 from 5,637 to 5,587, which results in a savings of $300,000 (50 less firefighters x $6,000 annual payment). Total funding for FY 16 is $124,039,535.	-$3,000,000	-$3,000,000	0
20 - 977	Other Requirements	DOA Debt Service & Maintenance	Reduces funding ($743,994 SGF, $682,585 IAT and $90,194 SGR) due to a bond refunding of existing debt. The DOA recently completed a partial refunding for 2007 Hurricane Recovery Bonds, which resulted in approximately $1.6 M of annual debt service payment savings.	-$743,994	-$1,516,773	0
			Major Reductions for Other Requirements	**-$16,524,892**	**-$26,781,222**	**0**
			Major Reductions of FY 2016	**-$267,375,602**	**-$1,018,631,041**	**-311**

Section IV

BUDGETARY OVERVIEWS

2015 Legislative Session – Major Money Bills

Act 16 (General Appropriations Bill), Act 121 (Funds Bill), Act 56 (Supplemental Appropriations Bill) and Act 26 (Capital Outlay Bill) all played a role in crafting the FY 16 operating budget. Act 121 transfers approximately $231 M of various resources for utilization in the FY 16 budget or the FY 15 budget via the Supplemental Appropriations Bill. The Supplemental Appropriations Bill (Act 56) provides various appropriations for FY 15 that indirectly impact the FY 16 budget. The legislation appropriates various resources (prior year state surpluses, Overcollections Fund and SGF) for Debt Defeasance, the Budget Stabilization Fund and the Unfunded Accrued Liability (UAL). *These appropriations are illustrated in the Flow Chart (Graph 4) on Page 62.* Other noteworthy bills that played a role in the FY 16 budget development are the revenue measures discussed in the Executive Summary on Pages i - ii.

Based upon the latest adopted revenue forecast, which now includes these various revenue measures, after accounting for potential revenue interactions, the FY 16 SGF budget initially appropriated approximately $4.6 M more than anticipated revenue (See Table 17).

TABLE 17
SGF Summary

FY 16 SGF Available:	
State General Fund (5/14/2015)	$8,596,300,000
Various Revenue Raising Bills (less interactions)*	$605,500,000*
Riverboat Gaming Enforcement Fund Transfer (Act 121)	$18,800,000
LA Emergency Response Network Fund Transfer (Act 121)	($200,000)
LA Fire Marshal Fund Transfer (Act 121)	$4,000,000
Environmental Trust Fund (Act 121)	$2,000,000
Hazardous Waste Site Cleanup Fund (Act 121)	$2,500,000
Insurance Verification Fund (Act 121)	$3,000,000
SAVE Program SGF Dedication (Act 140)	($350,000,000)
Total FY 16 SGF Resources Available	**$8,881,946,000**
FY 16 SGF Required/Appropriated Expenditures:	
Debt Service (Non-Appropriated Requirements)	$193,397,230**
Interim Emergency Board (Non-Appropriated Requirements)	$1,758,021***
Revenue Sharing (Non-Appropriated Requirements) (Act 132)	$90,000,000
General Appropriations (Act 16)	$8,368,195,745
Ancillary Appropriations (Act 46)	$0
Judicial Appropriations (Act 66)	$159,838,908
Legislative Appropriations (Act 76)	$73,352,811
Capital Outlay Appropriations (Act 26)	$0
Total FY 16 SGF Appropriations & Requirements	**$8,886,542,715**
FY 16 SGF Revenue Less Appropriations & Requirements	**($4,642,715)+**

Note: *The SGF Summary above assumes that all $106.4 M of statutory dedicated revenues generated from the tobacco tax increase (Act 94) will be utilized to supplant SGF appropriations. Also, the Supplementary Section of funding is contingent upon various revenue bills being enacted contained in Act 16 are included in the SGF summary above.*

+The Joint Legislative Committee on the Budget (JLCB) addressed this shortfall at its 8/14/2016 meeting and reduced the enacted supplementary appropriations portion contained within Act 16. The state agencies impacted by this reduction are illustrated in Table 18 on Page 57.

TABLE 18

8/14/2015 Reduction	SGF Reduced
Secretary of State	($19,071)
Agriculture & Forestry	($24,499)
Culture, Recreation & Tourism	($48,730)
DHH	($620,264)
Higher Education	($3,773,042)
MFP	($117,604)
HCSD	($39,505)
Total	**($4,642,715)**

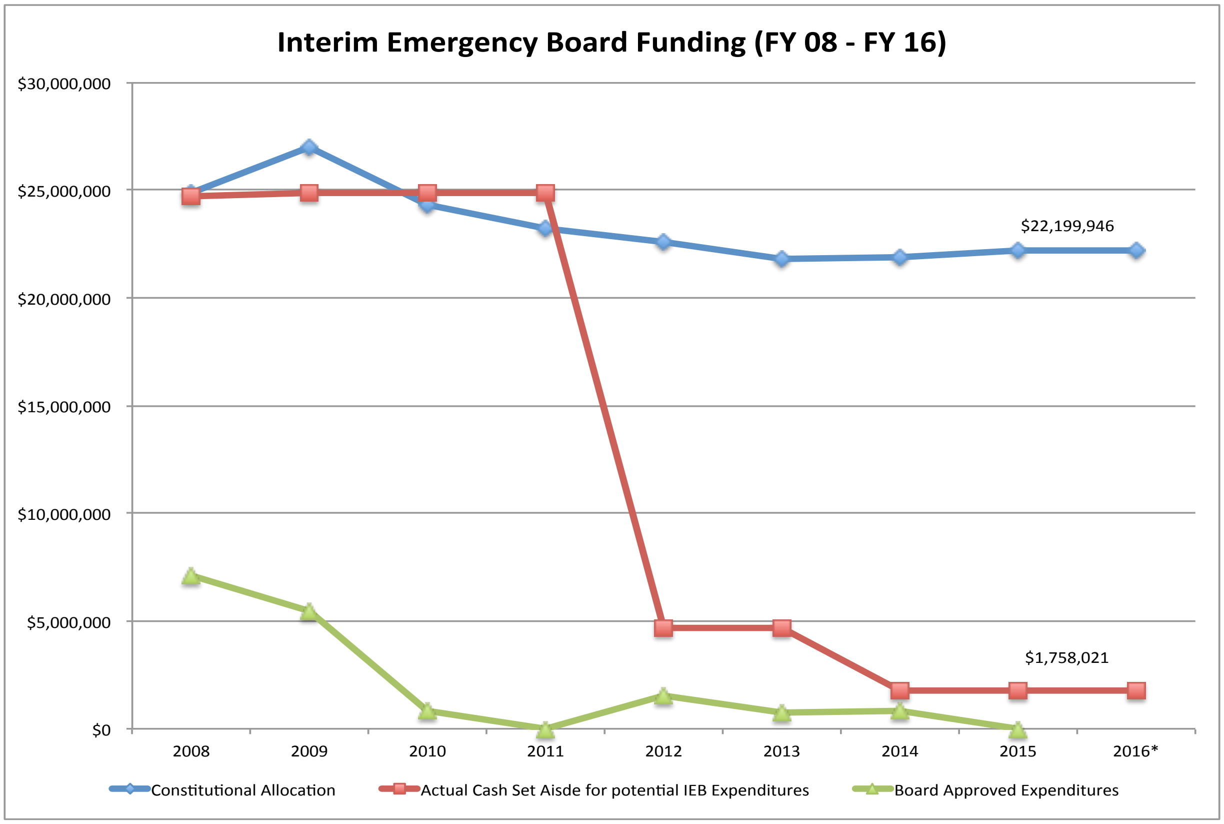
**Various Revenue Raising:* The $605.5 M of anticipated SGF revenues is based upon the fiscal notes for the various bills less anticipated net interactions among these bills. More information on this topic can be found on Pages 16 - 23.

***Debt Service: FY 16 budget includes the one-time availability of approximately $125 M in SGF due to a one-year defeasance of bonds. This is essentially a dollar-for-dollar prepayment of FY 16 debt service, which allows any funds used to pay for the defeasance in FY 15 to become spendable as SGF in FY 16. The $125 M budgetary mechanism will have to be replaced in FY 17. The $193.4 M Debt Service is the anticipated FY 15 debt service payment after the $125 M debt defeasance and the use of $66.8 M of total bond premiums from prior bond sales. Prior to the debt defeasance and the use of the bond premiums, the amount of SGF resources needed for the FY 16 debt service would have been $385.1 M. The funds utilized for the defeasance include $124,958,094 of the FY 14 prior year cash position ($178,511,565). More information on the Debt Defeasance is on Page 63 and the Flow Chart (Graph 4) illustrating the source of funds being utilized for the defeasance is on Page 62.*

****Interim Emergency Board: For the past 4 fiscal years (FY 12 – FY 15), a material funding source supporting the budget has been the SGF portion that would otherwise be allocated to the Interim Emergency Board (IEB) in Schedule 22-920 Non-Appropriated Requirements (Interim Emergency Fund). Pursuant to Article VII, Section 7 (C.) of the LA Constitution, the amount of SGF set aside for IEB allocations shall not exceed one-tenth of 1% of total state revenue receipts for the previous fiscal year. The State Treasury completes this calculation every fall.*

Prior to FY 12, the Executive Budget Recommendation included the total projected constitutional IEB allocation. However, since the FY 12 budget, the Division of Administration (DOA) now only includes an amount equivalent to prior year expenditures from the Interim Emergency Fund (average board approved expenditures). Due to the provision that the IEB cannot meet during legislative session, in prior years any unexpended IEB allocated funds were utilized by the legislature in that year's supplemental appropriation bill to cover current year needs. By not setting aside the full amount at the beginning of the fiscal year, the operating budget is being supported at the outset before knowing emergency needs for the upcoming fiscal year. For example, the FY 15 calculated IEB allocation, as recently reported by State Treasury in October 2014, is $22,199,946, while the amount currently set aside in the FY 15 budget is only $1,758,021. Thus, there is approximately $20.4 M of allocated SGF IEB resources supporting FY 15 expenditures. To the extent there were approved IEB requests in excess of the current allocation of $1.8 M, the legislature and/or governor may have to reduce current year SGF expenditures to fund such emergencies or borrow on the full faith and credit of the state to meet an emergency if funds are not available or if the emergency's cost exceeds available funds (Article VII, Section 7(B)). For FY 16, the Division of Administration (DOA) has allocated the same $1,758,021 SGF for the Interim Emergency Fund. As previously mentioned, the calculated constitutional allocation for FY 15 is $22,199,946. To the extent the FY 16 constitutional allocation remains constant ($22.2 M), the FY 16 budget is utilizing $20.4 M to be used to fund other SGF needs in FY 16 as opposed to being constitutionally set aside in the Interim Emergency Board. Graph 1 on the next page depicts the significant difference between what constitutionally should be designated for emergencies and what is actually set aside.

GRAPH 1



Ad Hoc SGF Equivalent Resources (Overcollections Fund) Utilized in FY 15 & FY 16

Act 16 (HB 1) includes an aggregate Overcollections Fund allocation in the amount of $114,556,548, which is currently appropriated in the Medicaid Program. The original source of these funds is various anticipated FY 15 collections that may be carried forward into FY 16 for expenditure. Table 19 below is a depiction of the Overcollections Fund status based upon the latest adopted REC revenue forecast, Act 121, Act 56 and Act 16.

TABLE 19

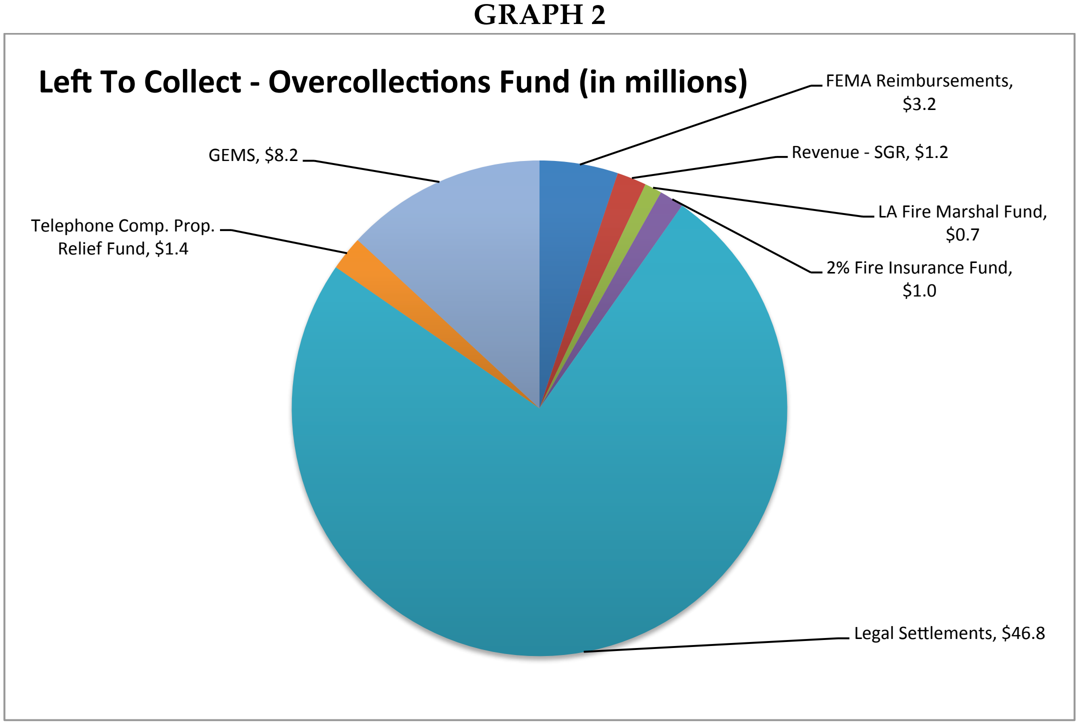
Adopted Revenue Forecast (5/14/2015)	**FY 15 Revenues**
FY 15 Beginning Balance	$217,500,000
Revenue Carry Forward from FY 14	$102,240,000
Self Insurance Fund (Act 121)	$12,000,000
Insurance Verification System Fund (Act 121)	$25,576,380
Riverboat Gaming Enforcement Fund (Act 121)	$11,874,770
LA Building Corporation (Act 121)	$500,000
Dept. of Revenue SGR (Act 121)	$11,100,000
Employment Security Admin. Account (Act 121)	$3,540,000
Penalty & Interest Account (Act 121)	$4,200,000
Telephone Company Property Assessment Relief Fund (Act 121)	$50,000,000
LA Public Finance Authority (LPFA) (Act 121)	$2,300,000
Act 646 of 2014, GEMS Transfer	$17,972,573
Total FY 15 Projected Fund Revenues	**$458,803,723**
FY 15 Overcollections Expenditures	**FY 15, Act 14**
Act 14	$270,101,856

BA-7 (Mid-Year Cut 1 Back Fill, Dec. 2014)	$47,000,000
BA-7 (Mid-Year Cut 1 Back Fill, April 2015)	$28,502,827
BA-7 (Mid-Year Cut 2 Back Fill, Jan. 2015)	$32,506,438
Less: HB 800 (Act 56) House Appropriations Committee Action	*($53,436,628)*
HB 800 (Act 56) House Floor Action	*$17,972,573*
HB 800 (Act 56) Senate Committee Action	*$6,196,965*
Less: HB 800 (Act 56) Senate Floor Action	*($5,300,000)*
FY 15 Total Overcollections Fund Appropriation	**$343,544,031 (recurring)**
FY 16 Overcollections Expenditures (HB 1 Enrolled)	**$114,556,548**
Total FY 15 & FY 16 Appropriated/Recommended	**$458,100,579**
Projected Unappropriated Fund Balance (Pre-FY 15 Close out)	***$703,144***

See Flow Chart (Graph 4) on Page 62 for an illustration of how these resources are flowing into the Overcollections Fund.

Note: *Based upon the latest adopted revenue forecast, there are currently no anticipated FY 16 resources projected to be collected for the Overcollections Fund. The unexpended FY 15 resources will be utilized to fully fund the FY 16 appropriation of approximately $114.6 M. However, approximately $62 M of anticipated FY 15 ad hoc resources listed above have not materialized to date. Those resources are depicted in Graph 2 below. Therefore, the FY 16 $114.6 M appropriation is not fully funded.*

GRAPH 2



SGF FY 14 Prior Year Cash Position

As previously discussed, one of the major resources utilized to finance the FY 16 budget includes the FY 14 SGF prior year cash position ($178,511,565). These resources were utilized for the debt defeasance ($124,958,094), deposit into the Budget Stabilization Fund ($44,627,892) and payment toward the UAL ($8,925,579). See Flow Chart (Graph 4) on Page 62.

Note: *The surplus calculation method utilized by the Division of Administration (DOA) was modified in the Fall 2014. Based on the FY 14 SGF Fiscal Status Summary presented by the DOA to the JLCB on 10/17/2014, FY 14 SGF expenditures were approximately $140.6 M greater than SGF receipts, budgeted transfers and carry-forwards. This operational budget deficit was financed by the SGF's cash liquidity, accumulated over a number of years from unexpended fee and interagency transfer collections that revert to the SGF at the end of the fiscal year. These funds make up the cash position of the SGF and are comparable to the checking account balance that many households have at the end of each month's bank statement reconciliation. After covering FY 14 obligations the remaining cash position at the end of the fiscal year was approximately $178.5 M. These monies were utilized in supporting the cash flow requirements of FY 15 expenditures. This change in calculation methodology is a change from operational receipts versus expenditures approach (employed since 2002) to assets versus liabilities balance sheet approach. The Legislative Auditor completed its official audit of the new method and confirmed the $178.5 M of cash resources is available. Therefore, these resources have been utilized in the construction of the FY 16 budget.*

Supplementary Section (Preamble 18(D))

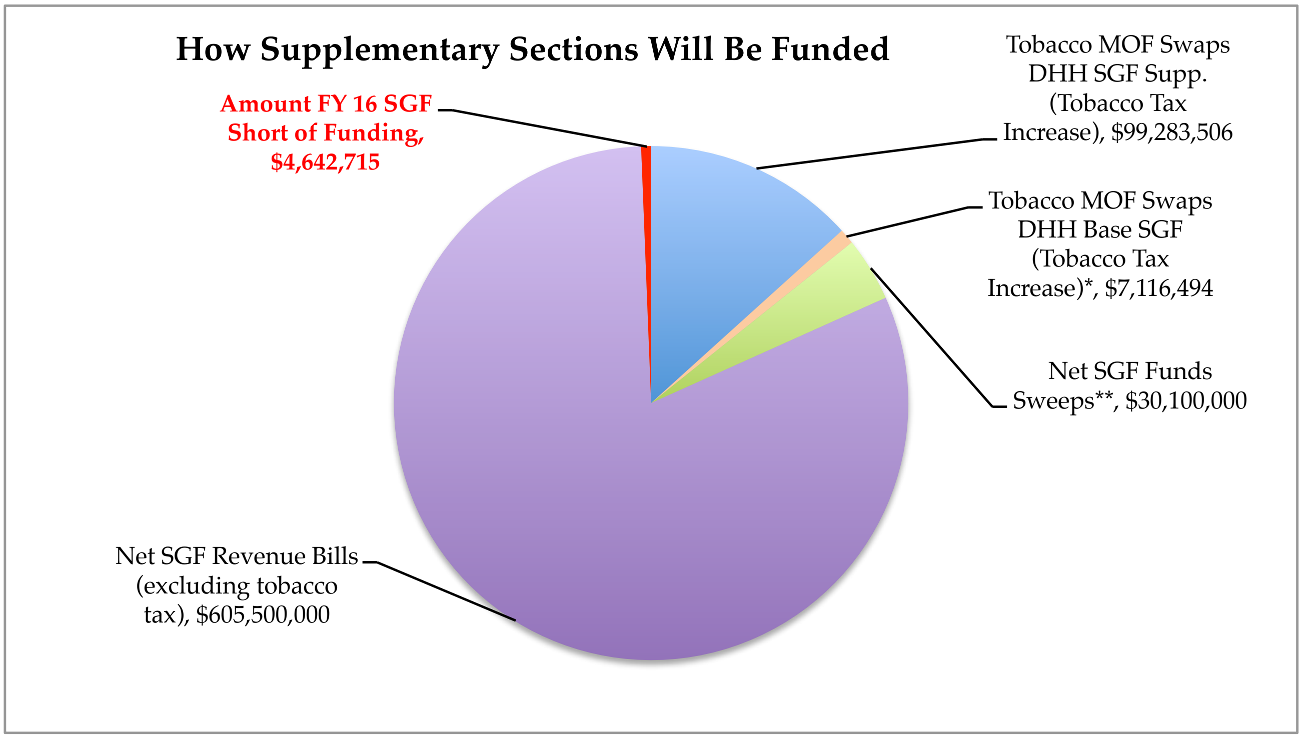
TABLE 20

DEPT	AGENCY	DESCRIPTION	SGF SUPP. SECTION	% of TOTAL
04-DOS	04-139	Registrar of Voter vacancies & related expenditures	$997,000	0.13%
	04-139	Museum & Other Operations Program	$1,700,000	0.23%
	04-139	Voter Outreach Services	$355,585	0.05%
04-DOS TOTAL			**$3,052,585**	**0.41%**
04-AGRI	04-160	Restores Cuts from Executive Budget	$3,921,447	0.53%
04-AGRI TOTAL			**$3,921,447**	**0.53%**
06-CRT	06-262	Library Services Program	$300,000	0.04%
	06-263	Museum Program	$100,000	0.01%
	06-264	State Parks	$7,000,000	0.94%
	06-267	Marketing Program	$400,000	0.05%
06-CRT TOTAL			**$7,800,000**	**1.05%**
09-DHH	09-303	Families Helping Families Centers	$170,000	0.02%
	09-306	Additional SGF that can be utilized for State Match	$41,408,637	5.57%
	09-306	Payments to Private & Public Providers for LSU Physicians	$7,004,981	0.94%
	09-306	Funding for UPL/FMP payments and UCC payments to partner hospitals	$35,994,388	4.84%
	09-306	Funding for UPL/FMP payments to Children's Hospital & UCC payments for the New Orleans partner hospital	$9,455,500	1.27%
	09-306	Payments to Private Prividers Program	$4,500,000	0.61%
	09-340	Early Steps	$500,000	0.07%
	09-340	LA Assistive Technology Access Network (LATAN)	$250,000	0.03%
09-DHH TOTAL			**$99,283,506**	**13.36%**
19-HIED	19-671	Board of Regents	$548,591,363	73.82%
	19-671	Pennington Biomedical Research Center	$4,000,000	0.54%
	19-600	LSU Health Sciences Center in New Orleans	$2,500,000	0.34%
	19-600	LSU Health Sciences Center in New Orleans for the LA Cancer Research Center	$490,000	0.07%
	19-600	LSU Health Sciences Center in Shreveport	$31,100,000	4.18%
	19-600	Legacy Costs of EA Conway & Huey P Long Medical	$3,755,947	0.51%
	19-600	LSU Ag Center	$2,000,000	0.27%
	19-615	SU System	$4,500,000	0.61%
	19-620	Gambling University	$2,000,000	0.27%
	19-649	Allocated to the lowest funded LCTCS institution	$5,000,000	0.67%
19-HIED TOTAL			**$603,937,310**	**81.27%**
19-SPECIAL	19-695	MFP - Supplemental Course Allocation	$2,621,961	0.35%
	19-695	MFP - Teacher pay raise	$16,202,485	2.18%
19-SPECIAL SCHOOLS TOTAL			**$18,824,446**	**2.53%**
19-HCSD	19-610	Health Care Services Division for legacy costs	$6,323,421	0.85%
19-610 TOTAL			**$6,323,421**	**0.85%**
		TOTAL SGF ONLY FY 16 SUPPLEMENTARY SECTION (PREAMBLE 18(D))	**$743,142,715**	**100.00%**

Included within Act 16 is a Supplementary Section that appropriates various expenditures throughout state government from the additional revenue measures enacted during the legislative session. These resources have been incorporated into the official revenue forecast (8/14/2015 meeting). The language contained within Preamble Section 18(D) provides for a pro-rata share funding allocation if the REC were to adopt revenues in some amount less than what is contained within the fiscal notes for these bills, which is the reason the $4.6 M imbalance was solved utilizing a pro-rata share reduction. ***Note:*** *The supplementary section also includes federal appropriations, which is not included in Table 20 on the previous page. Table 20 only includes SGF contained within this section of Act 16.*

Graph 3 below is an illustration of the various sources of money that will be utilized to fund these SGF supplementary section appropriations.

GRAPH 3



**Total SGF Supplementary Section appropriations contained within Act 16 for DHH equate to a total of $99,283,506. Since the FY 16 estimated revenue that may be generated from the increased tobacco tax is $106.4 M, these resources will be utilized to supplant base SGF in addition to funding all $99.3 M of SGF appropriations contained within the SGF Supplementary Section.*

***The $30.1 M represents the net gain to the SGF from various statutory dedicated funds sweeps to the SGF (funds sweeps) contained in Act 121 (Funds Bill).*

Flow Charts (Graph 4) of SGF and Overcollections Fund Resources Utilized in FY 15 & FY 16

SEE INSERT AT THE END OF THIS PUBLICATION

Debt Defeasance

When the FY 16 Executive Budget was released, the estimate of SGF necessary to pay non-appropriated debt service ($140.6 M) was net of a reduction of $191 M in preparation for debt defeasance. However, the actual defeasement was only $125 M which meant that $66 M in SGF was necessary to pay the non-appropriated debt service that was no longer expected to be defeased ($191 M -$125 M = $66 M). After adjusting for normal base changes to the annual General Obligation debt service requirements unrelated to the defeasance, it is estimated that $193.4M will be required in total for non-appropriated debt service, which is approximately $53 M more than the $140.6 included in the Executive Budget. See calculations below:

Outstanding GO Debt Service	$357,954,322
Debt Service for GO 2015 A & B	$27,163,376
Total FY 16 Debt Service Need	**$385,117697**
Less: Defeasance as reflected in HB 800 Original	($124,958,094)
Less: Net Premium from 2014 D Sale	($29,041,496)
Less: Net Premium from 2015 A & B Sale	($37,720,878)
Total NET FY 16 GO Debt Service Requirement	**$193,397,230**

The SGF made available by the defeasance is recommended within the overall FY 16 budget and is a major component of the revenue replacements included in Act 56 of 2015 (Supplemental Appropriations Bill). In order for the defeasance to occur, the money was placed with a trustee prior to the end of FY 15 to create a fund from which payments will be made and interest will be accrued through FY 16. Thus, the funds must be available approximately 2 weeks before the fiscal year ends.

Due to interest accruing in the fund during the year and eligible for use in the defeasance, the entire $125 M will not be required, possibly closer to $120 M. Based on committee testimony by the Division of Administration (DOA) and Act 56 the excess funds of $178 M identified during FY 15 (state's net cash portion) and used in part to offset the FY 14 budget deficit will make up a portion of the defeasement. However, those funds were declared non-recurring and are subject to deposits of 5% toward the Unfunded Accrued Liability ($8.9 M) and 25% to the Budget Stabilization Fund ($44.6 M) leaving 70% or about $125 M for use in the defeasement. The FY 15 budget included $210 M from a similar one year defeasance.

Office of Group Benefits (OGB)

OGB Timeline of Plan Changes

As has been discussed from July 2014 – July 2015, the Office of Group Benefits (OGB) made significant changes to the health plan of benefits and health plan structure offered to its members. A timeline of these major changes and discussions is provided in Table 21 below.

TABLE 21	
OGB TIMELINE	
January 2014	The FY 15 Executive Budget Recommendation proposed a 5% premium rate increase.
May 2014	On 5/21/2014 a JLCB subcommittee verified the funding need for the remainder of FY 14 and began discussions on FY 15 OGB fiscal concerns including reserve balance.
June 2014	GEMS Report issued on the last day of the 2014 Regular Session (6/2/2014) with $1.1 B of cost savings over 5 years related to the OGB program.
July 2014	5% rate increase went into effect on 7/1/2014 for FY 15.
July 2014	On 7/18/2014, the GEMS report was presented to JLCB with estimates of $2.8 M in administrative cost savings and health plan changes of $133 M for FY 15.
July 2014	New health plan of benefits was presented to the OGB Policy & Planning Board on 7/30/2014.
August 2014	On 8/1/2014, certain components of the new plan of benefits went into effect without emergency rule. Those new components were drug formulary, prior authorization and drug utilization management.
August 2014	On 8/14/2014, the LFO presented a report to the committee of OGB's operations and proposed health plan changes.
August 2014	OGB released annual enrollment dates of October 1st to October 31st.
September 2014	OGB sent 2015 enrollment information to members (mid-September).
September 2014	Attorney General issued an opinion on September 23rd relative to the Administrative Procedure Act.
September 2014	House Appropriations Committee met on September 25th to discuss OGB health plan changes.
September 2014	DOA issued Emergency Rule on September 30th related to the drug formulary, prior authorization and drug utilization management components.
October 2014	Legislature received emergency rule on 10/1/2014. Within 60 days of receipt, the legislative oversight may conduct a hearing to review the emergency rule.
October 2014	The Notice of Intent for the Regular Rule was published in the LA State Register on 10/20/2014 with a new plan start date of 3/1/2015.
November 2014	OGB issues a notice of delay of the August 1st changes implemented from 8/1/2014 to 9/30/2014 and allows members to receive refunds.
November 2014	On 11/7/2014, there was a Joint Briefing on Health Plan Revisions for the OGB. DOA provided the following modifications to the new plan offerings: new coverage level (individual + 1), retirees without Medicare and w/Medicare will maintain same deductible and OOM as 2014, OOM for active employees and retirees will be reduced 10%-20% in 2015. OGB enrollment extended through 12/7/2014.
November 2014	On 11/10/2014, the Public Affairs Research Council of LA issued a report A Better Plan For Group Benefits.
November 2014	The Notice of Intent for the Amended Regular Rule was published in the LA State Register on 11/20/2014 to reflect proposed modifications to the new health plan desgins discusssed on the 11/7/2014 Joing Hearing.
December 2014	OGB Public Hearing on Notice of Intent Publised on 11/20/2014 (12/29/2014 Meeting).
February 2015	OGB Rule Published in 2/20/2015 State Register
March 2015	Health Plan design changes effective 3/1/2015.
April 2015	OGB Special Enrollment (4/10 - 30/2015) - held to give members enrolled in the Magnolia Local Plus and Magnolia Open Access Plans to enroll in a lower premium plan effective 7/1/2015.
July 2015	Effective 7/1/2015 is a new premium increase with a blended rate increase of 10.8%. Included within the current FY 16 budget is a 10.8% premium increase for the Office of Group Benefits (OGB) for the employers (state agencies/school boards) and employees (OGB members) effective 7/1/2015. Some health plans will increase premium rates up to 12% (Magnolia Local Plus) while other plans will only increase by 4% (both Pelican Plans - consumer driven plans). According to the OGB, this rate increase will generate approximately $132.1 M in additional revenues within the program.

OGB 10.8% Premium Increase

Included in the FY 16 budget is a 10.8% premium increase for the Office of Group Benefits (OGB) for the employers (state agencies/school boards) and employees (OGB members) effective 7/1/2015. According to the OGB, this rate increase will generate approximately $132.1 M in additional revenues within the program. For OGB members, the employer pays 75% of the premium and 50% of the premium for the members' dependents. The specific breakdown of the source of these increases is within Table 22 below.

Table 22

OGB Participating Agency	*Revenues Generated 10.8% Rate Increase Employer Portion*	*Revenues Generated 10.8% Rate Increase Employee Portion*	*Revenues Generated 10.8% Rate Increase Total*
Executive Branch Agencies*	$40.5 M	$15.1 M	$55.7 M
Higher Education/HCSD**	$14.9 M	$5.6 M	$20.5 M
Judicial	$1.2 M	$0.5 M	$1.7 M
Legislative	$0.4 M	$0.1 M	$0.5 M
Local School Districts	$34.9 M	$13.5 M	$48.4 M
Non-Appropriated Entities	$3.6 M	$1.4 M	$5.0 M
TOTAL	*$95.6 M*	*$36.5 M*	*$132.1 M*

**The Executive Branch Agencies are those agencies (excluding higher education) that are included within the state's operating budget. Based upon the current budget, approximately $14.8 M of SGF is being utilized to pay for a portion of the $40.5 M employer portion listed above.*

***As previously mentioned, the 10.8% rate increase shown does not include Higher Education and the LSU Health Care Services Division (HCSD).*

According to the DOA, there will likely be another premium increase in 7/1/2016 that will be 4% above the medical/pharmacy claims trend. Currently the OGB expenditure trend for FY 15 is approximately a 5% increase in costs from July 2014 to January 2015. To the extent this trend continues, the FY 17 premium rate built into the FY 17 budget would be approximately 9%. However, the program's claims should decrease due to the major health plan changes that go into effect on 3/1/2015.

Executive Department
LA Public Defender Board (LPDB)

Funding for Capital Defense Standards
The LPDB published an intent to promulgate statewide rules regarding the defense of indigents in capital cases in the October 2014 State Register. The new rules outline standards for defense of an indigent client in capital cases by alerting counsel to courses of action that are necessary, advisable, and appropriate from pre-trial to post-conviction. However, funding the implementation of the new rules for the defense of indigent clients may affect LPDB's ability to take on cases involving indigent defendants in capital trials.

Included in the capital defense standards for indigent clients is the recommendation for a proper capital defense team, which includes mitigation specialists and fact investigators. A phased-in implementation of these proposed rules will result in estimated expenditures of $620,350 for FY 16, $1,240,701 for FY 17, $2,481,402 for FY 18, and $3,101,752 for FY 19. LPDB secured funding for FY 16 due to the cancellation of a $1.29 M professional services contract with the Capital Appeals Project of LA (CAP) for services in the 1st Judicial District (Caddo).

Using funds intended for a professional services contract with CAP is not without its programmatic consequences, though it will only affect LPDB's capital defense program. First, LPDB will have to take on capital defense cases in the 1st JDC on a case-by-case basis, which may be more costly than using a contractor such as CAP. Second, by using a portion of the funds allocated for a contractor to pay for implementation of its capital defense standards statewide, LPDB is left with less funding for indigent capital defense in the 1st JDC.

If LPDB does not secure state funds to create positions for mitigation specialists and fact investigators, an option is to embed the new positions within the district public defender offices needing them most, reducing costs to the state. The district offices will have to find the remaining funding for the new positions, though several are operating at deficits statewide.

Funding the standards in subsequent years is subject to legislative appropriation. If such funds are not appropriated for the implementation of the capital defense standards beyond FY 16, LPDB will fund them to the extent that monies become available. Any positions added with one-time funds in FY 16 will likely be temporary in nature without recurring appropriation by the legislature.

LPDB Insolvency
Note: *Some data are listed in calendar years (CY) rather than fiscal years due to LPDB's data collection and reporting practices.*

Due to standstill state assistance and unrealized growth in locally generated funds, district (local) public defender offices are facing an increasingly uncertain financial situation. In FY 14, 26 district public defender offices operated at a deficit, using a one-time fund balance of $17.7 M to bridge the gap between revenues and spending. Since Calendar Year (CY) 10, LPDB's total expenditures at the district level have been in excess of their total revenues, with several districts operating at a deficit in subsequent fiscal years, despite the fact that districts have enacted cost-cutting measures statewide. Table 23 on the next page depicts the total expenditures and revenues district defender boards over the last 4 calendar years.

LPDB Guidelines for Defense
In 2009, LPDB adopted guidelines for defense of indigent clients known as their Trial Performance Standards, which are based upon a number of sources and outline actions that

may be necessary, advisable, and appropriate for the defense attorney to take during the course of representation. LPDB also uses a recommendation by the National Advisory Council on Criminal Justice Standards & Goals (NACJSG) to determine appropriate caseloads.

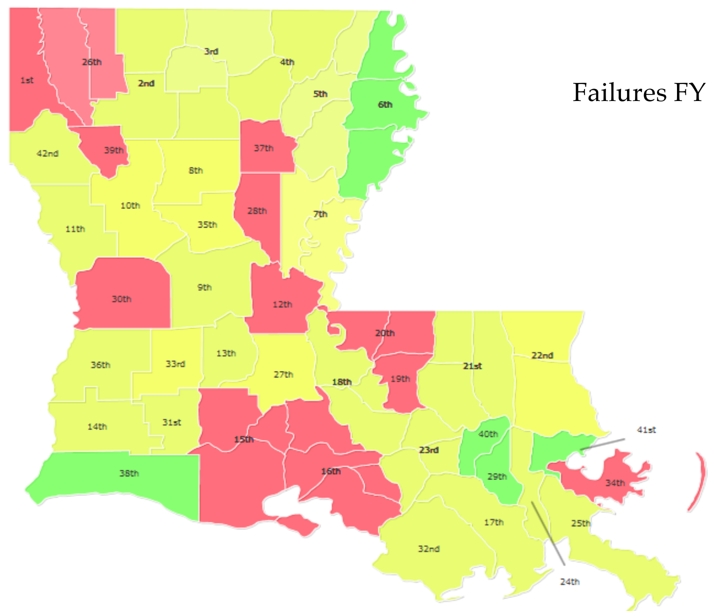
LPDB projects its expenditures by making a projection of caseloads for each district based upon prior years, the board then uses the recommended caseload to determine the number of attorneys district offices would employ. The market rate for attorneys in each district is used to determine compensation. The number of attorneys also determines the number of support staff recommended by the standards. LPDB estimates caseloads for its counsel are double the NACJSG recommendation.

Districts Approaching Insolvency
With the fund balance becoming increasingly unreliable and SGR growth being far below expected levels, several districts are approaching insolvency by LPDB's own calculations. The maps to the right reflect solvency projections for individual districts in FY 15 (top) and FY 16 (bottom). Green districts are accruing revenues at such a rate that they can remit year-end surpluses to their fund balances. Yellow districts are operating at a deficit and spending from their fund balances. Red districts are in or will enter restriction of services (ROS). While these projections are as of July 2014, LPDB staffers anticipate that they remain accurate to the extent local revenues and District Assistance Fund (DAF) appropriations meet historical levels.

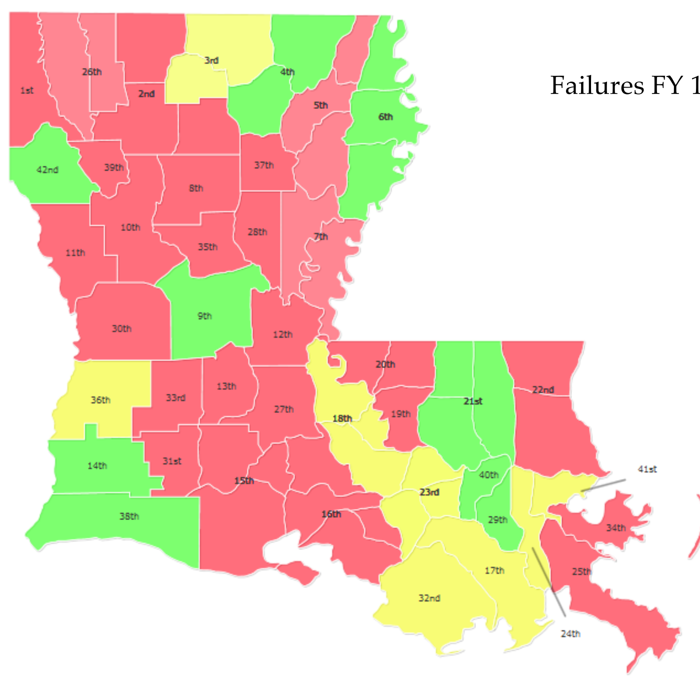
As a result, some districts may be forced to restrict services, such as putting cases on waiting lists and not paying counsel what they are owed for the services performed. If the district boards fail completely, judges

TABLE 23

Calendar Year	Revenues	Expenditures	Difference	Districts Reporting Deficits
2010	$47,084,317	$54,354,212	($7,269,895)	34
2011	$50,240,526	$55,953,999	($5,713,473)	33
2012	$49,915,307	$52,228,530	($2,313,223)	30
2013	$51,192,746	$51,551,239	($358,493)	23
2014	$49,888,384	$52,950,981	($3,062,597)	28



Failures FY 15



Failures FY 16

would have to assign cases of indigent defenders to members of local Bar Associations with no means of compensating them.

LPDB's projections in FY 15 were accurate. LPDB projected 12 districts to enter restriction of services. Rather than the 12 projected districts, 13 districts faced entering ROS. Eight districts entered ROS while the other 5 districts implemented plans to avoid entering ROS. Districts who entered ROS, as well as the date they entered ROS, are outlined in Table 24 below.

TABLE 24 – Restriction of Service Parishes

District	Parish(es) Affected	Date ROS Entered
1st	Caddo	4/1/15
5th	Franklin, Richland, W. Carroll	7/1/15
8th	Winn	4/1/15
19th	E. Baton Rouge	3/1/15
20th	E. Feliciana, W. Feliciana	1/1/15
26th	Bossier, Webster	3/4/15
28th	LaSalle	2/16/15
30th	Vernon	2/1/15

Of the 5 districts that avoided ROS, two districts – the 15th (Acadia, Lafayette, Vermillion) and 16th (Iberia, St. Martin, St. Mary) – avoided entering ROS by implementing alternative strategies such as attrition and reworking of district policies and procedures. The three remaining districts – the 12th (Avoyelles), 34th (St. Bernard), and 39th (Red River) avoided ROS by receiving unanticipated increases in local revenues and support.

Revenues
District public defender offices derive their funds primarily from state and self-generated (local) monies. LPDB's budget has stagnated, maintaining the same level of state funding since FY 11. State funding made up 34.6% ($17.7 M) of total revenues for district public defender boards in FY 14, while local, more variable, funding made up 65.2% ($33.2 M).

LPDB receives its state appropriation through SGF deposited in the statutorily dedicated LA Public Defender Fund. It then disburses state funds through its District Assistance Fund (DAF) to the district offices each fiscal year based on a formula built on select criteria, primarily a district's caseload, number of employed attorneys, annual expenditures, and its fund balance. State monies are generally the most stable and predictable funding source for district offices. Due to standstill state assistance, the proportions of state funding each district receives annually through the DAF have stagnated as well (Table 25). The median amount of state funding for district public defender offices was $157,515 in FY 14.

TABLE 25

Total DAF Disbursement Relative to Overall Appropriation

FY	DAF	Total State Appropriation	DAF Percentage of State Appropriation
2011	$17,784,337	$33,057,274	53.8%
2012	$17,234,410	$32,799,336	52.5%
2013	$16,496,605	$33,311,135	49.5%
2014	$16,435,314	$33,612,948	48.9%
2015	$18,509,073	$33,821,218	54.7%
2016	$18,521,992	$33,405,356	55.4%

Raising local funds for some districts has been difficult. LPDB has made efforts to aid district public defender offices in raising locally generated revenues. Act 578 of 2012 required judges to assess an additional $10 in court fees to go towards local indigent defense funds. The Act raised revenue by increasing certain court fees from $35 to $45. In fact, revenues only increased by between 8% and 10% on average per district, rather than the projected 25%. <u>It should be noted that this Act expires 8/1/2016 and there are no known plans to make up for the lost revenue.</u>

Department of Justice
BP Oil Spill Settlements and Grants

Since the Deepwater Horizon oil spill, LA has been awarded more than $9.2 B for damages. Payments awarded to the state include a settlement agreement in principle of $6.8 B, over $1.6 B from final settlements and approximately $500 M in the form of grants. The settlement includes payments from MOEX, British Petroleum (BP), Halliburton, and Transocean. Aside from the MOEX settlement, the other settlement agreements have not been paid and the amounts listed are what LA has the potential to receive in future years. The settlements and grant payments are described below:

BP Settlement Agreement in Principle: In July 2015, BP and the gulf states announced a settlement agreement in principle of $18.7 B with LA to receive approximately $6.8 B over 18 years. The settlement amount is made up of Natural Resource Damages claims ($5 B), Clean Water Act penalties ($787 M) and state economic damage claims ($1.0 B). As part of the settlement, the state will receive a portion of the settlement upfront and receive annual payments for the next 18 years. The exact annual payment amounts will be determined when the consent decree is approved.

MOEX Settlement: In February 2012, MOEX (a minority owner in the well) reached a settlement with the United States Department of Justice (U.S. DOJ) to pay $90 M in civil penalties for violations under the federal Clean Water Act. Of the $90 M, $45 M was paid to the Federal government and $45 M was paid to the Gulf States, with LA receiving $13.5 M. The MOEX settlement included a $6.75 M cash payment that was deposited in the Coastal Protection & Restoration Fund in accordance with Act 805 of 2012. MOEX also purchased land (valued at $6.75 M) to be used for perpetual conservation servitude and gave the title for the land to the LA Department of Wildlife & Fisheries. The land will add wetlands to the Maurepas Swamp Wildlife Management Area. **Note:** *Act 805 of 2012 provides that any monies received by the state for violations of the Federal Water Pollution Act associated with the Deepwater Horizon oil spill will be deposited into the Coastal Protection & Restoration Fund.*

BP Settlement (Clean Water Act Criminal Penalties): In November 2012, BP entered into a plea agreement with the U.S. DOJ that totaled $4 B in criminal penalties. Of the $4 B, $2.4 B is allocated to the National Fish & Wildlife Foundation. The National Fish & Wildlife Foundation (NFWF), a 501(c)(3) non-profit foundation established by congress, will administer the settlements funding. The National Fish & Wildlife Foundation can award $1.2 B to LA and the remaining $1.2 B to the other Gulf States. As part of the agreement, the funding that LA receives will be used to create or restore barrier islands or to implement river diversion projects. The state has been awarded $209.5 M for 7 projects. To date the state has received $26.3 M in reimbursement from NFWF for 7 projects underway. The 7 projects are: Mid-Barataria Sediment Diversion ($12.3 M), Lower Mississippi Sediment Project ($4.4 M), Caminada Beach and Dune Restoration – Construction ($5.5 M), Caminada Beach and Dune Restoration – Engineering and Design ($1.3 M), Increase to Atchafalaya Flow ($2.1 M), East Timbalier Island Restoration ($0.7 M) and Adapative Management ($0).

Transocean Settlement - (Clean Water Act Civil Penalties): Transocean entered into a Federal Settlement Agreement with the U.S. DOJ in January 2013 and paid civil penalties of $1 B. These penalties are to be distributed according to the RESTORE Act, which was passed by Congress in 2012, with 20% paid to the federal government and 80% ($800 M) deposited in the Gulf Coast Restoration Trust Fund. From the fund, 35% ($280 M) is allocated equally to the Gulf States. LA's share will be distributed with 70% paid directly to the state and 30% paid to coastal parishes through a weighted formula. An additional 30% (of the $800 M) will be distributed to Gulf States using a weighted formula and no state will receive less than 5% of this portion. Finally, the state will receive an equal share with the other Gulf States of 2.5% for grants and research centers. To date, the state has not received any RESTORE dollars.

Transocean Settlement - (Clean Water Act Criminal Penalties): At the same time, Transocean also agreed to a criminal plea agreement in the amount of $400 M, with $150 M paid to the National Fish & Wildlife Foundation to distribute to the Gulf States. LA will be able to receive $75 M of the $150 M and the remaining $75 M will be distributed to the other Gulf States. Like the BP settlement, as part of the agreement LA must use the funds to create or restore barrier islands or to implement river diversion projects.

Halliburton Settlement: In July 2013, Halliburton entered a federal criminal plea agreement by pleading guilty to a misdemeanor violation of destruction of evidence. As part of the agreement Halliburton paid $200,000 in criminal fines and pledged a voluntary contribution of $55 M to the National Fish and Wildlife Foundation. The contribution does not have any limitations on the use of the funds. From this contribution, LA may potentially receive a distribution from the foundation. However, at this time it is not known how much, if any, LA may receive.

Early Restoration Settlement: The LA Coastal Protection & Restoration Authority (CPRA) will have access to approximately $370 M as part of an early restoration settlement between federal and state trustees and BP. Under the early restoration settlement, BP agreed to pay a total of $1 B to the 5 Gulf States for implementation of restoration projects prior to completion of the Natural Resources Damage Assessment Process. CPRA plans to utilize approximately $370 M of early restoration settlement award to fund the following projects: outer coast restoration project ($318 M); marine fisheries enhancement, research & science center project ($22 M); oyster cultch project ($15 M); and Lake Hermitage Marsh Creation project ($13.9 M).

Grant Payments: The state received approximately $500 M in grants from BP to provide for claims or expenditures incurred by the state because of the oil spill. Approximately $360 M of the $500 M was utilized to provide for construction of barrier island sand berms and to enhance the area around the barrier island berms. The balance of the advanced funding for claims was allocated as follows:

- $25 M initial funding negotiated by the Commissioner of Administration that was distributed to various state agencies such as the Oil Spill Coordinator's Office and the Department of Natural Resources to provide for expenses related to the oil spill response.

- $15 M to the Lt. Governor's Office to promote tourism in a manner designed to alleviate or mitigate concerns resulting from the oil spill.

- $13.2 M to the Department of Wildlife & Fisheries for monitoring programs dealing with nearshore, inshore, and offshore fisheries for a 3-year period.

- $30 M to the Community Foundation of Acadiana and distributed to and directed by the Lt. Governor's Office for Tourism.

- $30 M to the Wildlife & Fisheries Foundation for a seafood marketing program agreed on by the foundation and the LA Seafood Promotion & Marketing Board and approved by the Department of Wildlife & Fisheries.

- $18 M to the Department of Wildlife & Fisheries for seafood testing.

- $8.25 M to the Department of Health & Hospitals to address behavior health needs of LA residents.

Department of Economic Development

The Mega-Project Development Fund is reserved for projects that create over 500 new jobs or offer at least $500 M in federal dollars or private capital investment (not including the state's contribution). The state's share of the project typically can comprise no more than 30% of the total project cost as specified in the cooperative endeavor agreement (CEA). Projects associated with companies in bankruptcy threatening at least 500 jobs or military bases subject to realignment or closure are also eligible. Below is a fiscal history of the fund.

Revenue		
Act 208 of 2007	$150,000,000	Initial deposit from LA Econ/Port Infrastructure Funds
Act 513 of 2008	$307,100,000	Deposit of receipts from FY 08 Supplemental Bill
Act 646 of 2014	$9,000,000	Transfer from Lottery Corporation
Act 646 of 2014	$20,000,000	Transfer from excess High Risk Pool Funds
Interest/Donations	$18,000,000	
TOTAL REVENUE	**$504,100,000**	

Total Uses	
For LED project Commitments:	
Federal City	$125,000,000
NASA/Michoud (1)	$15,500,000
Foster Farms	$50,000,000
SNF Holdings	$26,550,000
ConAgra	$32,400,000
CenturyLink (2)	$3,300,000
IBM (3)	$23,000,000
Schumacher (4)	$1,500,000
Benteler (5)	$20,000,000
For Legislative Specific Purposes:	
Support Worker Supplement	$48,600,000
ULM School of Pharmacy	$4,500,000
TOTAL COMMITMENTS	**$350,350,000**

Transfers	
Act 12 of 2011 (6)	($81,448,000)
Act 597 of 2012 (6)	($3,400,000)
Act 420 of 2013 (6)	($11,300,000)
Act 15 of 2014 (7)	($4,000,000)
Act 15 of 2014 (8)	($26,217,000)
Act 646 of 2014 (9)	($20,000,000)
Est. Unobligated Balance July 2015	**$7,385,000**

1. The NASA/Michoud project is on informal hold by LED until the federal government's commitment to the space program is clarified. The Obama administration eliminated funding for the Constellation project in 2011 and NASA reports that Constellation is no longer an active NASA project. The NASA/Michoud project was originally allocated $55.5 M in funding. From the original $55.5 M allocated to the project, LED has used $20 M for Benteler and transferred $20 M to the Rapid Response Fund via Act 646 of 2014.

2. The CenturyLink Cooperative Endeavor Agreement committed the state to a total incentive of $19.4 M with $3.3 M appropriated from the Mega-Project Development Fund in FY 12.

3. The IBM project commitment utilizes $23 M from the Mega-Project Development Fund in FY 13.

4. The Schumaker project commitments total $9 M with $1.5 M paid through the Mega-Project Development Fund.

5. The Benteler Steel project commitment utilizes $20 M from the Mega-Project Development Fund in FY 14 that was previously allocated to the NASA/Michoud project.

6. Transferred from the Mega-Project Development Fund for use by various agencies.

7. Office of Tourism for the NOLA Motorsports Park for Indy Car.

8. Statewide Commitments funded from the Mega-Project Development Fund in the General Appropriations Bill.

9. Funds Bill Transfers $20 M from the Mega-Project Development Fund to the Rapid Response Fund.

Department of Culture, Recreation & Tourism (CRT)

Fountainbleau State Park

Since their completion in 2005 the cabins on the banks of Lake Pontchartrain in Fountainbleau State Park have not been consistently open due to hurricane damage. Just as the cabins were completed and set to be open, Hurricane Katrina heavily damaged the cabins. Repairs to the cabins were completed in 2008 and the cabins remained open until Hurricane Isaac struck in 2012. Damage to the cabins and the secondary structures surrounding the cabins from Isaac was estimated to be $2.63 M by the Office of State Parks (OSP), $1.86 M of which was attributed solely to the cabins. Incorrect assessments by insurance adjusters, damage to necessary on-site facilities, and interagency disputes over what party would be responsible for repairs led to delays in the project spanning over the next 2 years. After corrections were made and some assignment of responsibility agreed to, a $1.4 M contract was approved for the first portion of reconstruction (Phase I – see below).

Due to the Office of Risk Management (ORM) being the FEMA applicant for all permanent repairs, ORM wanted to complete all repairs covered by State insurance before having FEMA cover non-insured damages. This caused various delays that resulted in the cabins not being open. The cabin structures were covered by the ORM policy, but the access board walks and utilities that had been destroyed would presumably not be covered due to their close proximity to the water, a condition that exceeds ORM standards of coverage. This would mean the OSP would be responsible for covering approximately $140,000 of the repairs with possible FEMA reimbursement. Due to various operating budget reductions and the transfer of funds from the State Parks Repair & Improvement Fund (funds sweeps) to the operating budget to make up for SGF monies that had been cut, providing the $140,000 for repairs has been difficult according to OSP. Since FY 12, approximately $29 M of $38 M in revenues from the State Parks Repair & Improvement Fund has been transferred from the fund for use elsewhere in the state's operating budget. In addition, there is a chance that the reimbursements provided by FEMA may not fully cover the expenses OSP would have to take on for the project.

Despite other disputes, OSP and ORM did agree that the reconstruction should take place in 2 phases as some repairs would be more straightforward than others, providing an opportunity to work through early coordination of funding and scope for the rest of the project. Phase I included repairs to the cabins and walkways leading to the cabins. ***Note:*** Phase I repairs to the cabins are complete and approximately $1.48 M was expended for the repairs.

Phase II will cover secondary structures like the Visitor's Center, maintenance building and other structures that worked in support of the cabins. Phase II is still in the design phase meaning the full scope of work is still being determined and cost estimates are unknown at this time. According to OSP estimates, the repair costs will be approximately $990,000, while adjusters from ORM estimate the repairs to be $286,000. As of 9/10/2015, the OSP is finalizing the scope of work for Phase II in order to move to the bidding portion of the repair process. Given the current state of the repair process, Phase II is expected to be completed in late 2016 or early 2017.

In addition to the interoffice coverage disputes, the floodwaters destroyed the walkways leading to the cabins and ruined the utilities sewage facilities at the site. With no proper walkways to reach the cabins and no utilities to connect equipment, contractors faced a difficult time properly assessing the damage. Another contributing factor to the delay were errors discovered in the initial scope of work. The scope of work is an assessment from an insurance adjuster that provides the cornerstone from which the complete project costs will be estimated. In this instance, the scope of work contained errors of what materials had been used to construct the cabins as well as outright omissions of other items damaged in the storms. As a result, the initial adjusters report for Phase I estimated costs at $421,000 while OSP estimated the damages at $1.8 M. These inaccuracies lowered replacement costs and led to disputes over how much was to be budgeted for reconstruction.

LA Tourism Promotion District (LTPD)

Act 1038 of 1990 created the LTPD as a special statewide taxing district and political subdivision of the state which levies three one hundredths of 1 cent of the sales and use tax for the purpose of assisting the state for out-of-state advertising and promoting tourism in LA. Historically this fund generates approximately $20 M in revenue for CRT annually. In FY 16 many events that have traditionally been funded by SGF funds are funded from the Office of Tourism's SGR funds generated by the sales tax. The following pass-throughs are to be funded with SGR for FY 16:

Fees & Self Generated	
FORE! Kids Foundation	$314,108
Greater NO Sports Foundation (Operating Cost)	$544,050
Independence Bowl	$300,616
Jefferson Parish (Bayou De Famille Park)	$418,500
New Orleans Bowl, Inc.	$280,577
Essence Festival Productions	$948,112
Bayou Classic	$250,000
NOLA Motorsports Park	$150,000
LA Sports Hall of Fame	$552,786
LA Book Festival	$25,000
Kent Plantation House	$56,000
Office of Cultural Development for Arts Grants & ARTS	1,500,000
Senior Olympics	$33,750
Special Olympics	$250,000
Total Fees & Self-Generated	**$6,352,499**

Additionally, funding for the following initiatives will be transferred to other agencies within the department via IAT and LTPD Direct:

CRT-Interagency Transfers	
Office of Secretary operating costs & OMF	$969,930
Office of State Museums operating costs	$562,779
ENCORE!	$325,000
Office of Cultural Development for Cultural Initiatives & operating costs	$445,442
State Library Operating Costs	$401,349
Total IAT & LTPD Direct	**$2,704,500**
Total Pass-throughs and Programs	**$9,056,999**

Department of Transportation & Development (DOTD)

State Transportation Funding

State Gas Tax: The 16-cent per gallon state gasoline and special fuels (gas tax) tax is a flat, non-indexed tax. The state gas tax has a current day buying power of approximately 7 cents. Historically, gas tax revenues have grown approximately 2.5% per year since 1992 but the rate has slowed substantially over the past decade. Construction and operating inflation substantially exceed the growth rate of the gas tax. (***Note:*** *The tax rate was increased from 8 cents to 16 cents in 1984.*)

In 1984 the average price per gallon was $0.94 and given the $0.16 per gallon tax, individuals paid an effective tax rate of 17% per gallon purchased to be used for road infrastructure ($0.16/$0.94 = 17%). The average price per gallon for regular gasoline in LA as of 2/16/2015 was $2.22. Due to the tax being flat, and not indexed to inflation, the current tax equates to individuals paying an effective tax rate of approximately 7.2% per gallon for road infrastructure (an increase of approximately 2.1% over the year as gasoline prices have fallen).

Federal Highway Trust Fund (Federal Gas Tax): The federal program is funded by the Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 is the first comprehensive, long-term highway authorization plan enacted since 2005. The federal Highway Trust Fund (HTF) is funded with an 18.4-cent per gallon federal gasoline tax and 24.4-cent per gallon federal diesel tax. Like the state gas tax, it has lost ground to inflation since its last increase in 1993.

TIMED Program Bond Debt Service Payments - $141.7 M: The TIMED Program was established by Act 16 of 1989 1st Extraordinary Session and designated 16 specific road/bridge projects. The original plan called for a designated funding stream in the form of a 4-cent per gallon gas tax on top of the existing 16-cent per gallon state gas tax, providing for a pay-as-you-go construction program. By utilizing a pay-as-you-go-program, the projected completion date for the program was 2031. In 2002, the DOTD set out to accelerate the program by bonding the remainder of the program in an effort to complete construction of all projects around FY 13. Due to rising construction costs and inaccurate cost estimates at the outset of the program, the program will only have sufficient funding to complete fourteen of the original 16 road and bridge projects. Twelve of the original fourteen funded projects are complete. The final segment widening on US 167, State Route at Dry Prong, is 98% complete with only minor work and closeout remaining. The final segment widening on US 165, Fort Buhlow Bridge, is 88% complete. The 2 unfunded projects include LA 3241 and the Florida Avenue Bridge.

The projected FY 16 4-cent per gallon gas tax collections for the TIMED Program are not sufficient to cover the debt service payments of the 12 completed projects and the 2 currently under construction. <u>Approximately $18.94 M of the 16-cent per gallon gas tax revenues will be needed to pay TIMED Program debt service payments in FY 16, the 6th consecutive year in which the state gas tax will be used to make the TIMED debt service schedule whole.</u>

The portion of the 16-cent gas tax necessary in future years to fund TIMED debt service payments will continue escalating. Based upon estimates by DOTD, the department will use approximately 2.5 cents of the 16-cent per gallon state gas tax at its peak usage in FY 43, which equates to $86 M, or approximately 17.5% of the current 16-cent per gallon tax receipts. The growing use of TTF - Regular funds to pay TIMED debt service may impact DOTD's ability to match federal transportation funds (generally required at 10-20%) in the capital outlay budget and will result in decreased funds available for the department's operating budget. Currently, the total projected TIMED Program costs are $5.24 B (includes LA 3241 and Florida Avenue Bridge projects), while total revenues for the program will be $4.65 B. DOTD is in the process of determining the best financing mechanism for completing the final 2 constitutionally required road/bridge projects.

Vehicle Sales Tax: Act 11 of the 2008 2nd Extraordinary Session provided that vehicle sales taxes would begin to accrue to the TTF and be phased in over a 7-year period. A total of 10% was to be transferred to the TTF in FY 09. Due to the total SGF revenue projections decreasing for FY 09 and as provided by Act 11, these funds were not available to the TTF and will not be available in subsequent fiscal years until "… such time as the official forecast of the Revenue Estimating Conference equals or exceeds the official forecast in effect prior to the projected deficit, at which time the reduction shall cease." The SGF revenue forecast for FY 09 as of 5/9/2008 was $9.7 B. The latest adopted revenue forecast projections predict the SGF collections: FY 16 - $8.6 B; FY 17 - $8.8 B; FY 18 - $9.1 B; and FY 19 - $9.2 B. Therefore, it is unlikely that these funds will be available to the TTF in the near future. The distribution to the TTF was originally projected to reach $335.6 M in FY 15 at 100% implementation. This provision was repealed and replaced by Act 275 of 2015 (see below).

Transportation Overview: 2015 Legislative Session

During the 2015 Legislative Session, several instruments passed that could potentially create additional revenues to be deposited into the TTF or to bring about a reallocation of TTF funds away from non-transportation related expenses (i.e. Office of State Police for traffic control purposes).

Act 147 - SB 271 – Senator White

Act 147 provides for equivalency of special fuels taxes with the gasoline tax for motor vehicles that operate on state highways using liquefied natural gas, liquefied petroleum gas or compressed natural gas. The proposed law will likely result in an indeterminable increase in special fuels tax collections to be deposited into the TTF, shifting the collection of taxes from a decal to a per gallon equivalent. These vehicles currently pay either a flat-fee or mileage based, statutorily defined tax for special decals on an annual basis depending on the type and weight of the vehicle. As the current system largely relies on self-reporting, it is likely to result in less tax revenue collections than would occur under a system that collects taxes based on the actual volumes consumed.

Act 147 additionally reduces the discount for timely filing and remittance of motor fuels tax that is currently allowed to suppliers and distributors/importers of gasoline, diesel and special fuels. Act 147 reduces the allowable administrative discount for suppliers or permissive suppliers from 1.5% to 0.5% and reduces the allowable discount for fuel delivered to a purchaser with a valid distributor or importer license from 1% to 0.33%. The LA Department of Revenue estimates these proposed discount reductions will result in a fuels tax revenue increase of approximately $6 M to the TTF beginning in FY 16.

*Act 275 - SB 221 – Senator Adley (and associated Acts 257 *, 465 and 473 *) *Constitutional Amendments*

Act 275 provides for an allocation of the annual avails of certain sales and use taxes in an amount equal to the general fund revenues certified by the Revenue Estimating Conference as being attributable to the provisions in Act 257 (SB 122) of 2015 up to $100 M while requiring the first $70 M of the total avails to be deposited into the TTF for state highway pavement and bridge sustainability projects in accordance with DOTD definitions of such projects. 93% of the avails remaining after the first $70 M carve-out are to be sub-allocated as: 30% into the highway priority program for capacity projects, 25% for port construction and development priority program projects, and 45% for state highway pavement and bridge sustainability projects in accordance with DOTD definitions of such projects. The final 7% of the remaining avails after the first $70 M carve-out shall be deposited into the LA State Transportation Infrastructure Fund as per Act 431 (HB 767) of 2015. Act 275 is projected to generate additional deposits into the TTF of $4.4 M in FY 18, $7.2 M in FY 19 and $9.3 M in FY 20 based on the current estimates adopted by the Revenue Estimating Conference on 5/14/15.

Act 275 repeals both the SGF trigger associated with Act 11 of the 2008 2nd Extraordinary Session (see "Vehicle Sales Tax" above) and the phase-in of depositing certain vehicle sales taxes into the TTF in lieu of up to $100 M in deposits as per new law. This repeal addresses a potential $400 M redirect of funds from the SGF into the TTF that was estimated to occur in five to seven years (pending SGF revenue deposits reaching a designated trigger of $9.7 B).

Act 380 - HB 208 – Representative Landry

Act 380 places into statute additional provisions regarding the 20% constitutional allowable distribution of TTF dollars collectively for ports, the Parish Transportation Fund, the Statewide Flood Control Program and the Office of State Police (OSP) for traffic control purposes, specifically that such funds shall be limited to 20% of all monies deposited into the TTF, including but not limited to state generated tax monies, fees, penalties and interest earnings. Historically, the only funds considered against the 20% cap were those generated specifically by state tax generated revenues. Act 380 additionally restricts the appropriation of TTF to OSP by stipulating the maximum amounts that can be appropriated to OSP by the legislature to $45 M in FY 16, $20 M in FY 17 and $10 M in FY 18. The proposed law will make additional TTF monies available for appropriation to either the DOTD operating or Capital Outlay budgets in amounts of approximately $20.1 M in FY 16, $25.1 M for FY 17 and $55.1 M in FY 18 and beyond. A language amendment included in the general appropriation bill supplanted $20 M of TTF funds within OSP with self-generated revenues incorporated into the official forecast for FY16 due to the enactment of Act 111 (HB 448) in FY 16.

Act 431 - HB 767 – Representative St. Germain

Act 431 creates, but does not fund, a state infrastructure bank to act as a revolving loan program within the State Treasury to provide assistance to governmental entities to finance road, bridge and transportation projects with DOTD and State Bond Commission approval. A board will oversee the program and have authority to issue bonds, choose projects for funding and offer loans with a request for exclusion from the state debt limit with the debt service subject to appropriation. Act 432 creates LA State Transportation Infrastructure Fund and provides for certain capitalization mechanisms through government funds, donations for public transportation projects and potential revenue deposits as per Act 275 of 2015.

Department of Public Safety & Corrections (DPSC) Correction Services

The DPSC Correction Services FY 16 budget totals $508.6 M, a $21.9 M decrease from the FY 15 budget of $530.5 M. This change also includes a decrease in authorized positions from 4,716 to 4,684. The significant changes in the department's overall funding include the following:

- $12 M SGF reduction for offsite offender healthcare. The agency has $30 M in the FY 16 budget.
- $6 M IAT reduction for excess federal budget authority associated with anticipated reimbursement of Hurricane Gustav related expenditures from the Federal Emergency Management Agency via the Governor's Office of Homeland Security & Emergency Preparedness. Actual expenditures were determined to be ineligible for reimbursement and no FEMA funding was received.
- $4.9 M SGF reduction for certain statewide GEMS Initiatives ($3,981,562 for Human Capital Management including 41 positions and $879,490 in conjunction with the Office of State Procurement).
- $0.3 M SGF increase for supplies as a result of increased workload to handle additional offenders at the Avoyelles Correctional Center.
- $0.2 M SGF increase for expansion of the Certified Treatment & Rehabilitation Program (CTRP). The Department will expand access to CTRP at local jails. The amount provided for this effort is $225,000 and 5 positions. CTRP programs provide opportunities to offenders to earn credit reductions in their prison sentences for participation in programs that are intended to help reduce their risk to society while increasing their ability to become productive citizens. The types of programs include but are not limited to the automotive technology, welding, plumbing, carpentry, college credit correspondence courses and the "Cage Your Rage" treatment program. This will bring the total budget for educational and vocational rehabilitation to $8.5 M for FY 16.

Information on the Correction Services budget, positions and inmate capacity is provided in Table 26 below.

TABLE 26

Correction Services - Budget, Positions and Inmate Capacity			
Entity Name	**FY 16 Budget**	**Positions (inclusive of Other Charges)**	**Inmate Capacity**
Corrections - Administration	$74,367,349	183	N/A
Louisiana State Penitentiary	$132,459,949	1,428	6,312
Avoyelles Correctional Center	$28,928,988	320	1,808
La Correctional Institute for Women	$22,001,459	264	1,098
Winn Correctional Center	$18,187,680	0	1,576
Allen Correctional Center	$18,148,449	0	1,576
Dixon Correctional Institute	$41,914,650	461	1,800
Elayn Hunt Correctional Center	$55,016,144	644	2,019
David Wade Correctional Center	$27,294,195	326	1,224
B.B. Sixty Rayburn Correctional Center	$24,863,219	297	1,314
Adult Probation and Parole *	$65,373,689	761	N/A
Total	**$508,555,771**	**4,684**	**18,727**

* The average number of inmates released on probation or parole is 69,828.

Local Housing of State Adult Offenders

FY 16 budget totals $161.2 M, a $10.9 M net decrease from the FY 15 budget of $172.1 M due to projected savings from measures implemented as part of the GEMS initiative. The budget provides funding for the following areas:

- Local Housing of Adult Offenders = $132,759,644
- Adult Work Release = $19,269,804
- Local Reentry Services = $9,156,550

Detailed information on the allocation of the Local Housing of State Adult Offender's FY 16 Budget is provided in Table 27 below.

TABLE 27

Local Housing of Adult Offenders			
Entity Name	**FY 16 Budget**	**Avg. Daily Capacity**	**Daily Cost**
Local Housing of Adult Offenders	$118,277,329	13,250	$24.39
Hamilton vs. Morial Payments			
Medical Payments	$314,070		$2.00
Mental Health Expenses	$1,099,141		$7.00
Natchitoches Parish (assumes 336 days)	$769,104	326	$7.00
Extraordinary Medical Payments	$1,500,000		
Intensive Substance Abuse Program	$800,000		
Housing Parolees	$10,000,000		
Transitional Work Program *			
Transition Work Program - Private Contract	$922,869		$10.25
Transition Work Program - Contract	$2,566,026		$10.25
Transition Work Program - Non-Contract	$15,780,909		$14.39
Local Reentry Services **			
Reentry Program - Caddo	$550,000	225 slots	
Reentry Program - Orleans	$550,000	225 slots	
Reentry Program - Madison - Female Facility	$431,550	225 slots	
Reentry Program - Lafayette	$550,000	225 slots	
Reentry Program - Madison	$550,000	225 slots	
Reentry Program - Franklin	$550,000	225 slots	
Reentry Program - Rapides	$550,000	225 slots	
Reentry Program - West Baton Rouge	$550,000	225 slots	
Reentry Program - St. Tammany	$550,000	225 slots	
Reentry Program - Southeast	$550,000	225 slots	
Reentry Program - Calcasieu	$550,000	225 slots	
Day Reporting Center - Caddo	$400,000	40-60 slots	
Day Reporting Center - Orleans	$400,000	40-60 slots	
Day Reporting Center - Lafayette	$485,000	40-60 slots	
Day Reporting Center - Monroe	$485,000	40-60 slots	
Day Reporting Center - Alexandria	$485,000	40-60 slots	
Day Reporting Center - Covington	$485,000	40-60 slots	
Day Reporting Center - Lake Charles	$485,000	40-60 slots	
Total	**$161,185,998**		

* Based on the agency's performance estimates, the average number of offenders who will participate in the transitional work program in FY 16 is 3,887. The cost per day per offender for the contract transitional work program was reduced by $1 in FY 16.

** Based on the agency's performance estimates, the number of state offenders housed in local facilities who will complete the reentry program prior to release in FY 16 is 5,300.

Department of Public Safety & Corrections (DPSC) Public Safety

Insurance Verification Fund Revenue & Expenditures

Act 641 of 2014 increased the fees for motorists that operate a vehicle without automotive liability insurance. As a result of increasing the fees, collections by the Office of Motor Vehicles (OMV) are expected to increase significantly and the increased collections will be used by the Office of State Police (OSP), district attorneys, DPSC Corrections, and for other law enforcement purposes in future fiscal years.

The OSP plans to use $24 M of funds deposited in the Insurance Verification Fund to pay for trooper pay grid increases in FY 16. The pay grid increase is a result of increasing salaries by $14 M and related benefits by $10 M in FY 15. For FY 16, the Insurance Verification Fund will need to collect at least $25 M in order to pay for the pay raise ($24 M) and maintenance of the real-time database ($1 M). A BA-7 was approved at the January 2015 meeting of the Joint Legislative Committee on the Budget (JLCB) for $10.1 M to allow the state trooper pay raise.

FY 15 Collections

The fund collected approximately $37.2 M in FY 15 (8/15/2015), which equates to an average monthly collection of $3.1 M. This amount covered the $11.3 M ($10.1 M pay raise + $1.2 M real-time database) needed for FY 15. Based on the historical average of fees paid, the months of February and March account for 17.2% and 12.7% of total collections, and the other 10 months account for 70% of collections. The Department estimated the fund would collect $36.9 M in FY 15 based on historical collections. However, actual collections exceeded that amount by $252,000.

The FY 15 mid-year deficit elimination plan (Round 1) included $15 M in funds available from the Insurance Verification Fund. The DOA noted that the $15 M is additional revenue in excess of the amount needed for the state trooper pay grid increase. In Act 121 of 2015 (Funds Bill), the transfer amount for the deficit elimination plan increased by $10,576,380 to $25,576,380. As a result of the $25.6 M fund transfer to the Overcollections Fund, the fund utilized $36.9 M ($11.3 M DPSC Public Safety expenses + $25.6 M funds transfer) in FY 15, which is the amount the Department projected to collect. Based upon collections and expenditures by the Department, the fund had a $252,000 balance at the end of FY 15.

FY 16 Collections

Act 121 adds language that requires State Police to use money from the fund for the increase in costs of salaries and related benefits associated with the provisional pay plan adopted by the State Police Commission on February 12, 2015, up to $42 M. The cost of the pay raise in FY 16 is $24 M. Should collections remain at the projection by the department in the amount of $36.9 M, collections would cover the cost of the pay raise ($24 M) and maintenance of the real-time database ($1 M).

After DPSC expenses ($25 M), there would be $11.9 M in the fund. Based on Act 641 of 2014, the next $7 M would be used by the Department of Corrections to fund at Act 652 of 2014. Act 652 reimburses Sheriffs for jail costs associated with parolees who are arrested pending a parole revocation. The next $1 M would be used to provide additional funding to assistant district attorneys. This $8 M would require appropriation by the legislature. Act 614 further states that the remainder of monies in the fund shall be used for public safety and law enforcement purposes. Based upon collections and expenditures, there was $250,000 remaining in the fund. However, it is unknown what specific public safety and law enforcement purposes this funding would be spent on.

State Police Cadet Academy

FY 16 budget contains funding in the amount of $5 M, payable from the Debt Recovery Fund, for the DPSC Office of State Police to conduct a training academy. Language in Act 399 of 2013 specifies that the first $5 M collected annually by the newly created Office of Debt Recovery would be allocated to fund a state police academy in FY 14 and the next 4 consecutive years. This will be the 3rd year in a row that the department conducts a cadet training academy, but the first time that the Debt Recovery Fund is used for this purpose.

The FY 14 training academy was funded through Act 55 of 2014 (Supplemental Appropriation) with Transportation Trust Fund - Regular (TTF-R) dollars in the amount of $4.4 M and IAT from the Thibodaux Training Academy in the amount of $600,000. The FY 15 training academy was originally funded with Riverboat Gaming Enforcement Fund monies then swapped with Debt Recovery Fund monies after the FY 15 Mid-Year Reduction Plan.

The majority of the $8 M cost of an academy is associated with cadet salaries and related benefits that make up 51% ($4.1 M) of the academy cost. Operating expenditures for the academy total approximately $461,000 and include travel, uniforms, office and automotive supplies, and automotive maintenance. Additional expenses include $670,000 in academy costs for cadets, which include dormitory costs, classroom costs, facility rentals, and ammunition. The previous classes were able to use vehicles, radars, and radios that were not needed since there was a surplus due to the decrease in troopers over the previous years. However, for the FY 16 class and subsequent classes, these items will be needed and the projected acquisitions cost is $2.8 M annually.

The FY 16 cadet academy will be funded with Debt Recovery dollars. The current FY 16 budget includes $5 M to fund the academy. However, a potential shortfall may occur since the full cost of a cadet class is $8 M. The shortfall can be eliminated through a number of solutions that include a later start date of the academy and what academy costs are funded. Beginning the academy in November instead of August would save $1.1 M in personal services costs. In addition, financing automobiles and acquisitions through LEAF would save $1.9 M in FY 16, but that amount will be paid in the next 2 fiscal years. Those savings would lower the academy cost by approximately $3 M. In the event a shortfall does occur and to the extent revenues are available, it is likely that Riverboat Gaming Enforcement Fund and/or TTF-R funds would be used.

Total Filled Trooper Positions by Fiscal Year (July 1st filled position count)

FY 2010	1,108
FY 2011	1,062
FY 2012	1,012
FY 2013	975
FY 2014	920
FY 2015	1,003

State Police Pay Grid Increase

Act 16 (HB 1) of 2015 included language that provides for $11 M to be paid out of the Debt Recovery Fund to fund additional pay raises for state troopers. Act 414 (HB 638) of 2015 provides that the Office of Motor Vehicles declare some outstanding OMV debts as "final delinquent debt" and turning such debt over to the Office of Debt Recovery (ODR). Debt collected by ODR will be deposited into the Debt Recovery Fund. Based upon LFO estimates using historical data provided by OMV, the ODR may potentially collect between $13 M and $19 M based upon the debts owed to OMV and the collection percentages associated with certain debt, of which $11 M is currently appropriated in Act 16. The Revenue Estimating Conference will make the determination whether the monies deposited into this fund as a result of Act 414 is classified as recurring or non-recurring revenue.

A BA-7 was approved at the January 2015 meeting of the Joint Legislative Committee on the Budget (JLCB) for $10.1 M to fund the state trooper pay raise. The amount approved by JLCB equated to a 20% pay raise as opposed to the 30% pay raise that was initially requested. The annualization of this pay raise totals $24 M ($14 M salaries + $10 M related benefits) and is included in Act 16 of 2015. The pay raise approved by JLCB is included in the FY 16 budget is funded with the Insurance Verification Fund created by Act 641 of 2014. The $11 M appropriation in Act 16 provides enough funding to implement the full 30% pay raise.

Department of Public Safety & Corrections (DPSC)
Youth Services / Office of Juvenile Justice

The Office of Juvenile Justice (OJJ) FY 16 budget totals $115.2 M, a $3.8 M increase from the FY 15 budget of $111.4 M and an increase of 119 in authorized positions from 877 to 996. The significant changes include:

- $3.5 M SGF increase for the Acadiana Center for Youth, a new secure care juvenile center located in Bunkie, LA slated to open May 2016. The FY 16 budget includes partial funding for positions, necessary start-up costs for furniture and equipment and two months of operational costs. The Center will house 72 youth and have a total of 124 authorized positions with an estimated operating budget of $10.9 M in FY 17.

- $8.1 M SGF reduction for certain GEMS Initiatives. This includes but is not limited to the relocation of youth from Jetson Center for Youth, adjustments in parole officers' caseloads, increased span of control at the secure care facilities and an increase in federal Title IV-E funding.

  The GEMS Final Report recommended the agency increase federal funding from Title IV-E for eligible offender costs to generate an additional $373,000 in reimbursements in FY 16. While OJJ has adjusted the methodology used to calculate Title IV-E eligibility, there appears to be a strong likelihood that these changes will not comply with federal guidelines and that the agency will, in fact, face a reduction in federal reimbursement associated with administrative, cost of care and local court expenses. The amount of the potential reduction is not clear at this time, but could be as much as $3 M. The agency has ongoing discussions with state and federal representatives and the LFO will continue to monitor the progress of these discussions.

  Information on the budget, positions and juvenile offender capacity is provided in Table 28 below.

TABLE 28

Youth Services - Budget, Positions and Juvenile Offender Capacity

Entity Name	FY 16 Budget	Authorized T.O.	Capacity
Administration	$14,287,633	53	N/A
North Region	$28,497,363	394	
Swanson Center for Youth	-	-	144
Swanson Center for Youth at Columbia	-	-	48
Central / Southwest Region *	$14,017,338	231	
Acadiana Center for Youth	-	-	72
Southeast Region	$25,254,056	324	
Bridge City Center for Youth	-	-	132
Contract Services **	$32,954,793	N/A	477
Auxiliary	$235,682	N/A	
Total	**$115,246,865**	**1,002**	**873**

* Jetson Center for Youth was depopulated in January 2014 and the youth were transferred to other locations throughout the state. Acadiana is projected to open in the last quarter of FY 16 and youth at Swanson and Bridge City will be transferred to this new facility. The population will be reduced at each of the facilities to equal the number of youth transferred. For example, if 44 youth are transferred from Swanson to Acadiana, then the capacity will be reduced from 144 to 100.
** Contract Services with Community Providers includes Residential and Non-Residential Services across all 3 regions.

Note: *In addition to the secure care facilities each region is responsible for serving youth in the community who have been adjudicated to OJJ custody and who are on probation or parole. These services are managed through the eleven (11) Regional Office spread across the state.*

Local Housing of State Juvenile Offenders

The FY 16 budget totals $2.8 M and represents a standstill budget. Additional information on local housing of juvenile offenders is provided in Table 29 below.

TABLE 29

Local Housing of State Juvenile Offenders			
Entity Name	**FY 16 Budget**	**Average Daily Census ***	**Daily Cost**
Local Housing of Juvenile Offenders			
Secure	$2,169,000		
Non-Secure	$639,891		
Total	**$2,808,891**		**$24.39**
Shelter		9	
Pending Non-Secure in Detention		10	
Pending Non-Secure in Parish Jail		1	
Pending Secure in Detention		55	
Pending Secure in Parish Jail		7	
Other in Detention		104	
Other in Parish Jail		41	
Total Local Housing using only Detention and Shelter		**178**	
Total Local Housing using Detention, Shelter and Parish Jail		**227**	
* FY 15 Actual			

Department of Health & Hospitals (DHH)
Medical Vendor Payments (MVP)
Medicaid Program

In FY 16 the DHH is appropriated $8.38 B for the Medicaid Program. This represents an overall increase of $270.7 M (3.3%) from the 12/1/2014 budget freeze date. *However, prior year actual spending (preliminary DHH appropriation report as of 8/10/2015) for Medicaid reflects total actual expenditures of $7,862,531,348 in FY 15. Based on these actuals, the Medical Vendor Payments appropriation reflects an overall increase of $519,758,882 or approximately 6.6%, from FY 15.*

Major Changes from FY 15

The total increase in FY 16 is mainly due to funding projected payment growth in the Hospital Public Private Partnerships, waivers, LSU physician Upper Payment Limit (UPL) reimbursement, and increased federal funding for rural hospitals. Specific and significant increases in the Medicaid Program include the following:

$167 M	Hospital Public Private Partnership projected payment growth funding
$177 M	Legacy cost funding (will require State Match source from LSU medical schools)
$9 M	New waiver funding
$26.9 M	100% federal matching funds for certain rural hospitals (requires match source)

As provided by Act 16, the Medicaid budget for FY 16 was adopted by the Legislature at a program size of $8.23 B. The FY 16 budget is based on a blended state match rate of 37.83% / 62.17% federal (excludes UCC state match rate, which is 37.79%) on Medicaid programmatic expenditures. The FMAP reflects a blend of federal fiscal years.

•The FY 16 appropriation for the MVP (Payments to Privates, Payments to Publics, Medicare Buy-ins & Supplements, and Uncompensated Care Costs programs) increased expenditures by approximately $270 M from the FY 15 Medicaid budget as of 12/1/2014. The program funding level changes are allocated as follows:

•$345.4 M increase in Payments to Private Providers Program

•$17.3 M decrease in Payments to Public Providers Program

•$15.4 M decrease for Medicare Buy-ins & Supplements Program

•$42.1 M decrease in Uncompensated Care Costs Payments Program

Note: The significant increase in the Payments to Private Providers Program mainly represents Title 19 Medicaid claims payments transferred from other programs within the MVP budget, in addition to increases to the program. Transfers include a shift in funding from the Payments to Public Providers Program to Privates to properly align the budget relative to Bayou Health plans, and a transfer of funding from the Uncompensated Care Costs program to the Private Providers Program to reflect the E.A. Conway financing model and Rural Hospital funding for FY 16.

•Act 16 appropriates funding by program, not by provider line item. Preamble language in Schedule 09 of Act 16 requires DHH to "submit a plan detailing the programmatic allocations of appropriations for the Medical Vendor Program" to JLCB for review no later than 10/1/2015. Sub program projections are not direct appropriations in Medicaid.

FY 16 Medicaid Disproportionate Share Hospital (DSH) Allocation

The Uncompensated Care Costs (UCC) Program in Medical Vendor Payments provides DSH payments to qualifying hospitals for certain uncompensated care costs associated with serving uninsured and indigent patients. DSH payments consist of both state and federal matching funds. For FY 16, the federal match for DSH is 62.21% (37.79% state match requirement), which is an increase in federal assistance from FY 15 (62.05% federal match). The federal government restricts the amount of federal DSH funds annually through the implementation of a federal DSH cap per state. Any additional UCC payments the state may choose to reimburse over the federal cap would require 100% SGF (the state loses the ability to leverage state dollars). The LA federal DSH cap for 2016 is $743,671,360 and the total DSH cap (total allowed payments including state match) is approximately $1.2 B.

Act 16 appropriates $998,520,310 in the UCC Program for various providers ($621,249,552 federal match), including LSU privatization partners. The UCC Program includes approximately $778.9 M in DSH funding for the LSU public/private partnerships.

FY 16 DSH funds are allocated as follows:

$26,732,396	HCSD (Lallie Kemp only)
$56,013,642	OMH public psyc free standing units
$893,604,649	Other DSH hospitals*
$0	Rural hospitals and hospital-based health clinics (no DSH funding in FY 16)
$1,000,000	Non-rural hospitals (High Medicaid DSH Pool)
$21,169,623	GNOCHC (Greater New Orleans Community Health Connection) waiver**
$998,520,310	**Total DSH Funding (Act 16)**

***Note:** DSH appropriations for "Other DSH hospitals" is allocated as follows:

$100,000,001	Low Income Needy Collaborative
$14,690,831	Office of Behavioral Health
$778,913,817	LSU Privatization Partners
$893,604,649	**Total (Other DSH Hospitals)**

**Note:* Based on the level of appropriation for FY 16, the state is approximately $122 M from the federal DSH cap. However, in addition to the appropriated UCC payments reflected above, DHH anticipates receiving federal DSH funds of approximately $104.7 M as a result of the certification of public expenditures (CPE) by certain local governmental entities (non state non rural hospitals and rural hospitals). Receipt of these Federal funds from CPE's will significantly reduce the gap between the states federal DSH funding and authorized level of federal fund DSH reimbursement in FY 16.

***Note:* Funding for the Greater New Orleans Community Health Connection (GNOCHC) Medicaid demonstration waiver allows DSH reimbursement to various waiver providers in the greater New Orleans area. The program provides low income uninsured adults with coverage for certain primary care and behavioral health services. Act 16 provides for a net decrease in funding to the Greater New Orleans Community Health Connection by $5 M, for $21.2 M in total funding for FY 16.

****Note:* As a result of FY 16 state revenues not balancing to appropriated expenditures for FY 16, approximately $4.6 M in SGF was reduced statewide (from supplementary funding) by the Joint Legislative Committee on the Budget in August 2015, which resulted in a pro rata share reduction of $542,641 in SGF, or $1,435,327 in total UCC and UPL payments to the Public Private

Partnerships. UCC is reduced approximately $857,874 in FY 16. Total DSH payments for Private Partners in FY 16 after the pro rata reduction is $778,055,943.

Medicaid Outlook for FY 16

The FY 16 Medicaid budget contains approximately $166,556,548 M in replacement revenues used as a state match source from 2 separate sources that will likely have to be partially or entirely replaced with SGF or alternate revenue sources in FY 17. These sources of revenue include Amnesty tax collections projected to be collected in FY 16, and Overcollections Fund revenues. These fund sources are appropriated in the Payments to Private Providers and the UCC programs, and collectively will draw $273.8 M in federal match for a total of $440.4 M in claims payments.

Amnesty Revenues: FY 16 budget reflects $52 M in amnesty revenues appropriated in the Medical Vendor Payments, Payments to Private Providers Program for FY 16. Any revenues generated through a tax amnesty program are deposited into the 2013 Amnesty Collections Fund. Act 421 established the 2013 Amnesty Collections Fund through the LA Tax Delinquency Amnesty Act of 2013. All $52 M of these revenues will be used as a state match source to draw federal financial participation for claims payments to private providers. Based on the FY 16 blended Federal Medical Assistance Percentage (FMAP) of 62.17% (37.83% state match) for LA Medicaid, $52 M in amnesty revenues will generate approximately $85.5 M in federal matching funds for a total of $137.5 M in Medicaid claims payments. To the extent amnesty tax revenues are not realized up to the level of appropriation in Medicaid for FY 16, claims payments to providers will be reduced by a proportionate amount (inclusive of federal match).

Overcollections Fund Revenues: FY 16 budget contains $114.6 M in Overcollections Fund revenues appropriated in Medicaid (Payments to Private Providers and UCC programs). The original source of the funds is anticipated FY 15 collections from various funds that may be carried forward into FY 16 for expenditure. All $114.6 M of the Overcollections Fund revenues appropriated in Medicaid for FY 16 will be used as a state match source to draw down federal financial participation for claims payments and UCC payments to providers. Based on the FY 16 blended Federal Medical Assistance Percentage (FMAP) of 62.17% (37.83% state match) for Medicaid claims and 62.21% (37.79% state match) for UCC, $114.6 M in Overcollections Fund revenues will generate approximately $188.3 M in federal matching funds for a total of $302.9 M in Medicaid claims and UCC payments. To the extent Overcollections Fund revenues are not realized up to the level of appropriation in Medicaid for FY 16, claims payments and UCC cost payments to providers will be reduced by a proportionate amount (inclusive of federal match). The sources of revenue are reflected below:

FY 16 Revenue Source (used as a state match source)	**Amount**
State Tax Amnesty Program Revenues	$52,000,000
Overcollections Fund Revenues	$114,556,548
FY 16 Non-SGF Match Sources Used as Match	**$166,556,548**

Note: *In FY 17, the 2 revenue sources (totaling $166.5 M) used in FY 16 as a state match source will have to be replaced with SGF or a revenue source similar to the revenue used in FY 16 simply to maintain baseline expenditures in Medicaid.*

Note: Act 16 Preamble provides funding (to be used as a state match source) to replace FY 16 appropriated SGF in Medicaid. The funding source is the statutorily dedicated Tobacco Tax Medicaid Match Fund. The Enrolled fiscal note (HB 119) projects approximately $106.4 M in revenue to be used in FY 16. The first Revenue Estimating Conference official forecast for FY 16 further adopted this additional revenue for FY 16. The revenue is generated from increased taxes on cigarettes and vapor products.

Other State Match Sources: LA Medical Assistance Trust Fund (MATF): Another significant source of match used in Medicaid (Medical Vendor Payments) is revenue from the LA Medical Assistance Trust Fund (MATF). Approximately $189.9 M in revenues are appropriated in Medicaid from the LA Medical Assistance Trust Fund (MATF) for FY 16, up $34.8 M from the FY 15 appropriated level of funding ($158,317,637). Funds collected annually in the MATF are from fees imposed on nursing home providers, ICF/MR providers, pharmacy scripts and premium taxes on Medicaid managed care premiums (beginning FY 13). In addition to these recurring revenue deposits, the fund has historically received one-time revenue deposits from various sources. ***There are no one-time revenue deposits in the MATF for FY 16.*** All revenues deposited into the fund (less any balances) are used as a state match source to draw federal financial participation for general Medicaid expenditures. Reflected below are historical appropriations in the MATF since FY 11.

FY 11	**FY 12**	**FY 13**	**FY 14**	**FY 15**	**FY 16**
$403,715,644	$451,471,418	$344,754,959	$157,857,988	$158,317,637	$189,865,163

The FY 16 level of funding in the MATF is approximately $189,865,163. This funding includes the following deposits:

$133,300,000	Annual Deposits of Provider Fee (pharmacy scripts, ICF/DD beds & nursing home beds)
$56,565,163	Managed Care Tax Revenues (Title 22:842)
$189,865,163	

Note: Currently, R.S. 22:842 imposes a tax on premiums (collected) related to life, accident and health (approximately 2.25% of premiums). Any taxes assessed are collected by the Department of Insurance on behalf of the SGF. The current law does not exempt managed care entities. Tax revenues generated from managed care companies are appropriated in FY 16 and deposited in the MATF to be used as a state match source for general Medicaid expenditures. For FY 16, the budgeted revenues associated with Bayou Health, the LA Behavioral Health Partnership, and Dental Medicaid managed care is approximately $56.6 M.

.

Department of Health & Hospitals (DHH)
Office of Aging & Adult Services (OAAS)
Community-Based Waivers & Other Community Services

The Community Choices Waiver (replaced the Elderly & Disabled Adult - EDA Waiver) allows for services to be provided in a home or community-based setting for a qualifying person who would otherwise require care in a nursing facility. In addition to personal care services, the waiver provides a variety of other services that assist people to remain in their homes and communities. Due to the increased demand for these services, there is a Request for Services Registry (waiting list).

FY 16 Funded Slots:	*5,303 (200 slots for Pitts vs. Greenstein settlement)*
FY 15 Funded Slots:	*5,303*
Slots Filled as of 06/30/2015:	*4,519*
Slots Funded but not Filled:	*784*
*Registry and/or Waiting List: **	*36,091*
Average Cost/Capped Cost:	*$25,838 ($46,189 cap)*
FY 15 Actual Expenditures:	*$126,425,856*
FY 16 Budget:	*$114,740,163*
Population Served:	*Ages 21 +, Medicaid eligibility, and meet nursing facility level of care criteria*

The Adult Day Health Care (ADHC) Waiver provides certain services for 5 or more hours per day in a licensed and Medicaid enrolled ADHC facility. Services offered include assistance with activities of daily living, health and nutrition counseling, social services, and exercise programs. There is an ADHC Request for Services Registry that lists the people who requested these services along with the request date.

FY 16 Funded Slots:	*825*
FY 15 Funded Slots:	*825*
Slots Filled as of 06/30/2015:	*738*
Slots Funded but not Filled:	*87*
*Registry and/or Waiting List: **	*3,514*
Average Cost/Capped Cost:	*$23,664 ($49,094 cap)*
FY 15 Actual Expenditures:	*$9,851,176*
FY 16 Budget:	*$9,605,098*
Population Served:	*Ages 22 +, Medicaid eligibility, and meet nursing facility level of care criteria*

The Long Term Personal Care Services (LT-PCS) Program** provides help with activities of daily living for people who qualify for assistance under the program guidelines. The program also provides personal care workers to help people in their homes. Care provided includes help with bathing, toileting and grooming activities; eating and food preparation; performance of incidental household chores; assistance getting to medical appointments; and grocery shopping.

Slots Filled as of 06/30/2015:	*12,894*
Average Cost/Capped Cost:	*$14,544 ($19,828 cap)*
FY 15 Actual Expenditures:	*$239,258,095*
FY 16 Budget:	*$235,946,546*
Population Served:	*Ages 21 + who receive Medicaid benefits, nursing facility level of care and imminent risk criteria of nursing home admission*

Program for All Inclusive Care for the Elderly (PACE) Program** coordinates and provides all needed preventive, primary, acute and long-term care services so that older people can continue living in the community. The emphasis is on enabling senior citizens to remain in their communities while enhancing their quality of life.

Slots Filled as of 06/30/2015:	*326*
Average Cost/Capped Cost:	*$32,959 ($54,288 cap)*
FY 15 Actual Expenditures:	*$9,862,582*

FY 16 Budget:	*$11,319,260*
Population Served:	*Ages 55 +, live in PACE provider service area, nursing facility level of care, and meet Medicaid financial eligibility*

The State Personal Assistance Services (SPAS) Program** provides personal assistance services to people with significant disabilities to assist them with activities of daily living. The primary service provided with SPAS funding is Personal Assistance Services. *The Office of Aging & Adult Services has contracted with the ARC of Louisiana to administer both the Community & Family Support program and the State Personal Assistance Services program for a total of $633,229.*

Slots Filled as of 06/30/2015:	*48*
*Registry and/or Waiting List: **	*102*
Average Cost/Capped Cost:	*$17,880*
FY 15 Actual Expenditures:	*$889,609*
FY 16 Budget:	*$840,451*
Population Served:	*Ages 18 - 60, a significant disability, capable of hiring, firing, and supervising the persons who provide personal assistance services*

The LA's Traumatic Head & Spinal Cord Injury (TH/SCI) Trust Fund Program** provides services in a flexible, individualized manner to LA citizens with traumatic head or spinal cord injuries. The program enables individuals to return to a reasonable level of functioning and independent living in their communities. Services are provided on a first-come, first-served basis. Expenditures shall not exceed $15,000 for any 12-month period or $50,000 in total lifetime expenditures per individual.

Slots Filled as of 06/30/2015:	*689*
*Registry and/or Waiting List: **	*306*
Average Cost/Capped Cost:	*$9,000 ($15,000 cap)*
FY 15 Actual Expenditures:	*$2,930,812*
FY 16 Budget:	*$2,895,812*
Population Served:	*An individual must meet the definition of traumatic head injury or spinal cord injury.*

Note: Although the agency fills waiver slots as quickly as possible, not all waiver slots are filled at the beginning of the fiscal year.

*Registry and/or Waiting List as of 06/30/2015
**Programs without designated slots, the reported data represent the number of participants.

Department of Health & Hospitals (DHH)
Office of Public Health (OPH)

School-Based Health Clinics

School-Based Health Clinics (SBHCs) provide convenient access to comprehensive, primary and preventive physical and mental health services for public school students at the school site. Information from DHH indicates that approximately 70% of the students receiving services in SBHCs are Medicaid eligible. As such, the SBHCs may either bill Medicaid for certain services, or students may access medical services in the community through Medicaid. Currently, SBHCs may bill Medicaid for:

- Sick or injury visits
- Nurse only visits
- Hearing and vision screenings
- Comprehensive & interperiodic physical screenings through the Kid Med Program
- Behavioral Health (limited to one-time evaluation if intervention is needed)
- Immunizations
- Laboratory (specimen collection performed in-house during medical screening visit)

In FY 16, the OPH is appropriated $6,771,787 ($450,527 SGF and $6,321,260 LA Fund) for 62 school-based health clinics (53 full-time sites and 9 part-time sites) with 2 positions in the OPH. This represents an overall increase of $120,000 from FY 15 Appropriated. Currently, the following parishes have school-based health clinics: Allen, Avoyelles, Caddo, Calcasieu, Cameron, East Baton Rouge, E. Feliciana, Grant, Jackson, Jefferson, Lafayette, LaSalle, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Point Coupee, Rapides, Richland, St. Bernard, St. Charles, St. Helena, St. Martin, St. Mary, Washington, and W. Feliciana.

Parish Health Units (PHUs)

PHUs provide childhood immunizations, mental health counseling, vital records access, supplemental nutritional programs for mothers and their children, sexually transmitted disease (STD) treatment services, and family planning. Currently, 61 parishes have PHUs funded by OPH (versus local government or by a Federally Qualified Health Center or Rural Health Center). As such, some PHUs operate on a 2-3 days per week work schedule, and the staff has a rotating schedule among multiple PHUs. There is an overall net decrease of $252,185 and 19 positions in FY 16. The department has indicated that the reduction will be limited to administration and is not anticipated to impact services. Table 30 provides a comparison of funding and positions:

TABLE 30

	FY 15	FY 16	Difference
SGF	$17,144,336	$8,792,489	($8,351,847)
IAT	$4,600,500	$1,505,532	($3,094,968)
SGR	$7,235,647	$6,503,607	($732,040)
Federal	$15,916,858	$27,843,528	$11,926,670
Total	**$44,897,341**	**$44,645,156**	**($252,185)**
T.O.	**536**	**517**	**(19)**

Nurse Family Partnership Program (NFP)

The NFP is a prenatal and early childhood intervention program designed to improve the health and social functioning of low-income first time mothers and their babies. Home visits by specially trained public health nurses begin before the 28th week of pregnancy and continue through the child's second birthday. Act 16 allocates $21,439,261 ($2.6 M in SGF, $2,877,075 IAT from TANF and $15,962,186 Federal) and approximately 30 positions for the NFP Program, which represents a $607,197 increase in funding from FY 15. OPH anticipates 3,895 individuals will be served through this program in FY 16.

Department of Health & Hospitals (DHH)
Funding Mechanisms of the LA Behavioral Health Partnership (LBHP)

The LBHP is a cross-departmental system between the DHH, the Department of Children & Family Services (DCFS), the Department of Education (DOE), and the Office of Juvenile Justice (OJJ), designed to organize a coordinated, managed care network for LA's behavioral health services. The LBHP provides services to both Medicaid and non-Medicaid child and adult populations. Each of the enumerated state entities is responsible for funding specific components of the system in order to provide a comprehensive, mental health program for the state. The funding mechanisms for the LBHP involve a complex interplay of funding sources, governmental agencies and service providers.

In an effort to administer the behavioral health system, the state designated the DHH Office of Behavioral Health (OBH) to oversee a privatized Statewide Management Organization (SMO) to operate the LBHP. The SMO is responsible for the provision of behavioral health services to approximately 100,000 adults and 50,000 children, including approximately 2,400 children with significant behavioral challenges that are in imminent risk of out-of home placement. The SMO is responsible for identifying and improving access to mental health services, providing treatment management and coordination services, and ensuring quality of care and outcomes for clients. Magellan Health Services, Inc. currently operates the SMO.

In the November 2014 Focus on the Fisc publication (Volume 3, Issue 6), the Legislative Fiscal Office reported that the Office of Behavioral Health (OBH) had issued an RFP to identify and contract with a SMO to administer the LBHP at the conclusion of the initial contract that ended on 2/28/2015. Subsequent to that report, OBH received a single submission to its RFP from the current provider. The administration and DHH decided to fully integrate both physical and behavioral health services within the Bayou Health program effective 12/1/2015. To that end, OBH issued an emergency contract with the current SMO, Magellan Health Services, Inc., to operate the existing LBHP for an additional nine months through 11/30/2015, and to prepare for the transition of behavioral health services into Bayou Health.

The transition of behavioral health components into Bayou Health will retain the majority of the changes intended for the LBHP re-procurement, including implementation of full-risk, Per Member Per Month (PMPM) capitation rates for children/youth services, and the shifting of crossover/dual eligible payments into Legacy Medicaid. The state partners are still exploring options for providing authorizations, care management and managed care functions with regard to the uninsured or non-Medicaid eligible populations as those cannot be provided through the Bayou Health contract.

Funding Components and Populations

The LBHP provides services to both Medicaid and Non-Medicaid eligible adults and children. Each of these populations is funded through various financial mechanisms and state agencies in a manner designed to maximize the use of matchable funds. The primary funding components are derived through the DHH Medical Vendor Payments (MVP) agencies, which in concert with the Medical Vendor Administration (MVA) agency comprises the Bureau of Health Services Financing (BHSF) for the state of LA. The BHSF is the single Medicaid agency for the state, and provides access to health care to Medicaid recipients and other LA citizens. In FY 16, there is $432.2 M for LBHP costs allocated to the MVP agency.

Medicaid Adult Population: The Medicaid eligible adult population receives funding for services out of the MVP Private Providers Program. Funding is used to purchase health care services through the payment of premiums to the SMO on behalf of eligible enrollees. For behavioral health services, funding from the Private Provider Program pays a Per Member Per Month (PMPM) rate to the

SMO. This payment is fully-capitated and covers administrative fees, cost of services and profits to the provider. The recommended MVP budget allocation is $143,091,343 in FY 16. The funding mechanism and methodology will not change once services to this population are transitioned into Bayou Health.

Medicaid Children Population: The Medicaid eligible children population receives funding for services out of the MVP Private Providers Program. Unlike Medicaid eligible adults, reimbursements to the SMO are paid on a Fee for Services (FFS) basis under the existing LBHP. When a Medicaid eligible child receives treatment services from a provider, the SMO pays the provider and seeks reimbursement from MVP on a weekly basis for services provided. This payment is non-capitated and is paid solely on the aforementioned fee-for-services basis. With the transition of behavioral health services into Bayou Health, services for Medicaid Eligible Children will convert to a PMPM payment mechanism in the same manner as Medicaid eligible adults. The MVP recommended budget allocation for Medicaid children fee-for-services and PMPM combined is $289,073,142 in FY 16.

Under the existing LBHP, DHH makes a monthly payment to the SMO to cover administrative fees, profits and management of the fee-for-services cost for children's coordinated care. These payments are made from the MVA agency in the form of a PMPM payment. The current version of HB 1 transfers the full existing MVA budget allocation to the MVP agency in the amount of $50,137,187 in FY 16, as the administrative costs will become part of the fully-capitated PMPM. However, the LFO assumes administrative fees will continue to be due to the existing SMO through the contract termination date on 11/30/2015, and that a portion of these funds may need to revert back to the MVA Agency by legislative amendment to provide five months' worth of administrative fees which would total approximately $20.6 M. The $20.6 M associated with administrative fees will have to be transferred from the MVP Agency back into the MVA agency to cover this expense.

The DOE administers the provision of services to Medicaid eligible children through school health clinics and mental health programs. Local school boards certify public expenditures associated with these services, then the MVP agency sends the federal expenditure claim reimbursement portion to the MVA agency. The funds are not returned to the local entities but paid to the SMO as a portion of the administrative fees for managing the Medicaid children's population. The recommended budget allocation for DOE Certified Public Expenditures (CPE) is $1,914,596 in FY 16. These funds are a portion of the $50.1 M MVA allocation mentioned above. The LFO assumes these costs will move into the legacy Medicaid pool like other school based physical health services.

Non-Medicaid Adult Population (OBH/LGE): The Non-Medicaid eligible adult population receives behavioral health services through Local Governmental Entities (LGE) comprised of the 10 human services authorities and districts. Historically, these services were provided through a blended network with the OBH and 5 human services districts. Over the past 3 fiscal years, 5 additional human services districts were created in order to localize service provision. OBH serves as the contract monitor for the SMO. Budget authority associated with service provision was transferred from OBH to the LGEs. The SMO performs case management functions, referring clients to the LGEs and to private providers. As per its contract, OBH pays an 8% administrative fee from SGF associated with any services managed by the SMO but provided by the 10 LGEs. The funds for the provision of services is budgeted directly with each LGE and SMO does not process those payments, but rather simply receives the administrative fee associated with those services directly from OBH. There is currently $4.2 M SGF allocated in FY 16 that funds both the administrative costs and costs for non-Medicaid services, such as room and board associated with residential treatment programs.

OBH is evaluating options regarding the funding mechanisms and methodologies that will be used to provide services to the Non-Medicaid adult population. These services will not be provided through the Bayou Health Contract. OBH has issued a Request for Information (RFI) to determine if any private providers may be interested in administering services to this population to determine if an RFP for a private provider is viable. Under this model, OBH funding would provide both the administrative costs of the Managed Care Entity overseeing services to this population, as well as for the provision of non-Medicaid services such as room and board for eligible recipients. Alternatively, the LFO assumes the administrative services for this population may revert to OBH.

Non-Medicaid Children Population (DCFS and OJJ): The Non-Medicaid eligible children population generally receives referrals to the SMO for needed services. Those services are, in turn, billed back to OJJ and DCFS on a fee-for-services basis plus an 8% administrative charge and paid by SGF or federal Social Services Block Grants (SSBG). Services provided on a fee-for-services basis that are paid by OJJ include Therapeutic Foster Care and Non-Medical Group Homes. OJJ's eligible services were absorbed into the LBHP in January 2013. Services provided on a fee-for-services basis by DCFS include Therapeutic Foster Care, Residential/Hospital Care, Evaluation and Testing, and Treatment and Consultation. DCFS's eligible services began absorption into the LBHP in June 2012 and completed in early FY 13. In all cases, the 8% administrative charge paid by the agency of record is based upon the total claim expense billed to the agency through invoice transmittals by the SMO.

As with the non-Medicaid adult population services, DCFS and OJJ are in discussions regarding the funding mechanisms and methodologies that will be used to provide services to the Non-Medicaid children population as these services will also not be provided through the Bayou Health Contract.

	FY 13 Actual	FY 14 Actual	FY 15 Allocated	FY 16 Allocated	Source Funds
MVA (PMPM Children)	$31.78 M	$50.14 M	$50.14 M	$0	SGF Match/Fed Fds
MVP					
Medicaid Adults (PMPM)	$129.48 M	$140 M	$139.1 M	$143.09 M	SGF Match/Fed Fds
*Medicaid Children (PMPM)	N/A	N/A	N/A	$20.6 M	SGF Match/Fed Fds
Medicaid Children (FFS)	$139.07 M	$242.93 M	$242.93 M	$122.01 M	SGF Match/Fed Fds
Medicaid Children (PMPM)	$0	$0	$0	$146.5 M	SGF Match/Fed Fds
**IAT to MVA from DOE CPEs	$0	$0	$1.91 M	$0 M	Fed Match of CPEs
MVA/MVP Total	**$302.24 M**	**$434.98 M**	**$434.08 M**	**$432.20 M**	
***DCFS	$1.77 M	$5.48 M	$6.15 M	$6.15 M	SGF/Federal SSBG
***OJJ	$1.08 M	$2.26 M	$2.9 M	$2.9 M	SGF
**DOE CPEs (IAT to Medicaid)				$1.91 M	Fed Match of CPEs

* $50.14 M was transferred from the MVA Agency to the MVP Agency for FY 16 associated with the transition of the LBHP into Bayou Health. The extended contract with the existing SMO, Magellan, does not terminate until 11/30/2015.

** The funds included in the IAT from MVP to MVA associated with DOE CPE allocation in FY 14 is noted as an expenditure in both agencies, and could be considered a double count of funds resulting in a total cost of the LBHP of $1.91 M less than reported in that FY. DOE CPEs were budgeted to send payments of $1.91 M in FYs 13 and 14 but DHH reports that they failed to make the payments. Beginning in FY 16, the LFO assumes these costs will move into the legacy Medicaid pool like other school based physical health services.

*** Actual expenditures and budget authority for DCFS and OJJ associated with the Behavioral

Health Partnership were self-reported and aggregated by the respective agencies for FY 13. There is no line item appropriation or designation in Act 16 that allocates or reports on these expenditures.

Department of Health & Hospitals (DHH)
Office for Citizens with Developmental Disabilities (OCDD)
Community-Based Waivers for the Developmentally Disable

The New Opportunities Waiver (NOW) is offered on a first-come, first-served basis. There is a Developmental Disability Request for Services Registry (RFSR) that lists individuals who meet the LA definition for developmental disability and their request date.

FY 16 Funded Slots:	*9,032*
FY 15 Funded Slots:	*9,032*
Slots Filled as of 06/30/2015:	*8,591*
Slots Funded but not Filled as of 06/30/2015:	*241*
*Registry and/or Waiting List:**	*13,085*
Average Cost/Capped Cost (Actual):	*$52,718*
Expenditures Forecast (06/30/2015):	*$442,414,427*
Population Served:	*Ages 3 + who have a developmental disability that manifested prior to age 22*

The Children's Choice Waiver offers supplemental support to children with developmental disabilities who currently live at home with their families, or who will leave an institution to return home. Children's Choice is an option offered to children on the Request for Services Registry (RFSR) for the New Opportunities Waiver (NOW) as funding permits. Families choose to either apply for Children's Choice, or remain on the RFSR for the NOW.

FY 16 Funded Slots:	*1,475*
FY 15 Funded Slots:	*1,475*
Slots Filled as of 06/30/2015:	*1,220*
Slots Funded but not Filled as of 06/30/2015:	*255*
*Registry and/or Waiting List:**	*7,219*
Average Cost/Capped Cost (Actual):	*$10,558 ($16,410 waiver cap only)*
Expenditures Forecast (06/30/2015):	*$11,704,898*
Population Served:	*Ages Birth - 18 who meet the federal definition for a developmental disability*

**Also subset of individuals under 19 from the NOW waiver and the number is included in the NOW registry.*

The Support Services Waiver has reserved capacity for individuals who were receiving state general funded vocational and rehabilitation services as of 3/31/2006 or who were listed as waiting for those services prior to 5/31/2006. The Supports Waiver is intended to provide specific, activity focused services rather than continuous custodial care.

FY 16 Funded Slots:	*2,050*
FY 15 Funded Slots:	*2,050*
Slots Filled as of 06/30/2015:	*1,618*
Slots Funded but not Filled as of 06/30/2015:	*432*
*Registry and/or Waiting List:**	*1,758*
Average Cost/Capped Cost (Actual):	*$7,945*
Expenditures Forecast (06/30/2015):	*$12,060,472*
Population Served:	*Ages 18 +*

The Residential Options Waiver (ROW) offers services designed to support individuals to move from ICFs/DD and nursing facilities to community-based settings, and to serve as an alternative to being institutionalized. ROW was approved by CMS on 10/1/2009.

FY 16 Funded Slots:	*210*
FY 15 Funded Slots:	*210*
Slots Filled as of 06/30/2015:	*29*
Slots Funded but not Filled as of 06/30/2015:	*181*

*Registry and/or Waiting List:**	*0*
Average Cost/Capped Cost (Actual):	*$27,886*
Expenditures Forecast (06/30/2015):	*$834,409*
Population Served:	*Ages Birth to end of life who have a developmental disability which manifested prior to the age of 22*

*Registry and/or Waiting List as of 06/30/2015

Note: Although the agency fills waiver slots as quickly as possible, not all waiver slots are filled at the beginning of the fiscal year.

Department of Children & Family Services (DCFS)
Child Welfare Targeted Case Management

Presently, the Department of Children & Family Services (DCFS) receives Medicaid reimbursement for essential health care and supportive services for children and youth in foster care. Nearly all children in foster care are enrolled in Title 19 Medicaid, and many continue to receive Medicaid once they leave foster care for adoption or kinship care. Beginning in FY 16, the Department of Children & Family Services (DCFS) will implement Child Welfare Targeted Case Management (CW-TCM). CW-TCM are services that assist children and youth in foster care eligible under the State Medicaid plan to gain access to needed medical, social, educational and other services.

In FY 16, DCFS anticipates receiving an additional $30.8 M in Federal Medicaid funds for CW-TCM services based on match in DCFS's budget. The SGF match in the budget includes the additional $6.5 M freed up TANF means of financing substitution in the LA 4 Program within the Department of Education. See Table 31 below. DCFS will have a net funding increase for Child Welfare as a result of CW-TCM implementation. The department anticipates children and youth in foster care will receive additional and enhanced services as a result of CW-TCM.

TABLE 31
State General Fund (SGF) & TANF
Means of Financing Substitution

LA4 Program Reduction to SGF	($27,899,965)
SGF Transfer to DCFS for CW-TCM	$6,500,000
SGF Savings to State Budget	($21,399,965)

The projected $30.8 M increase in Federal Medicaid funds is based on several factors: (1) CW-TCM is reimbursed at 62% federal match rate versus the 50% currently received for Title IV-E administrative activity; (2) nearly all children in foster care are Medicaid eligible while only 46% of the children in foster care are Title IV-E eligible; and (3) more children remaining in the home could be eligible for TCM reimbursement, whereas only those children "at risk of foster care" which are eligible for Title IV-E. Table 32 below represents total funding for CW-TCM in FY 16 of $49.5 M, which includes the $6.5 M from the TANF means of financing substitution with the LA 4 Program and the $30.8 M of new Federal Medicaid funds generated from state match.

TABLE 32
FY 16 SGF Match

Existing SGF in Child Welfare	$12.2 M
Additional SGF "Freed Up" from LA4	$6.5 M
Total SGF Match	$18.7 M
Federal Medicaid Funds	$30.8 M
Total CW-TCM Funding	$49.5 M

Retirement Systems

Employer Contribution Rate for State Employees

The aggregate employer contribution rate for the LA State Employees' Retirement System (LASERS) for FY 16 is projected at 37%, which is 0.4 percentage points lower than the FY 15 projected rate of 37.4%. The employer contribution rate is determined using the FY 16 projected payroll amount and the projected employer contribution (ER) amount (ER/Projected Payroll = Employer Contribution Rate). The projected payroll for FY 16 is $1,884,404,842 and the employer contribution amount is $697,562,314. It should be noted that the state's employer contribution for FY 16 is lower than the projected FY 15 amount by $62.9 M. ($697.6 M FY 16 – 760.5 M FY 15). The decrease in the employer contribution rate is due to the FY 16 projected payroll being lower than the FY 15 projected payroll amount. The projected payroll amount in FY 16 is $1,884,404,842, which is approximately 7.8% less than the projected FY 15 payroll amount of $2,030,784,463 as noted in Table 33 below.

The projected employer contribution amount is lower as a result of a decreased normal cost. The normal cost (NC) is the amount needed to cover the cost of accruing next year's benefit. The FY 15 projected NC is $132.8 M, while the FY 16 projected NC is substantially lower at $67.2 M, a difference of $65.6 M. This drastic reduction is mainly a result of Act 571 of 2014 that changed the actuarial cost method from Projected Unit Credit (PUC) to Entry Age Normal (EAN). PUC is a method that funds the present value of the benefit as it accrues and does not spread the cost. For employees that are early in their career the cost is lower, but at the end of an employee's career, the cost is higher. EAN creates level contributions throughout the career. While it may cost more at the beginning of a career to pay an employee's accruing benefit, there is not a spike in later years and it remains the same.

TABLE 33

	FY 16	FY 15	Difference
Normal Cost	$67,158,874	$132,773,370	($65,614,496)
Total ER	**$697,562,314**	**$760,458,132**	**($62,895,818)**
Payroll	$1,884,404,842	$2,030,784,463	($146,379,621)
Cont. Rate	37.0%	37.4%	-0.4%

Note: The change of actuarial cost method from Entry Age Normal to Projected Unit Credit increased LASERS' UAL by approximately $622 M.

Unfunded Accrued Liability (UAL) Update

The total unfunded accrued liability (UAL) for the 4 state systems increased to $20.3 B in FY 14, an increase of $1.3 B ($20.3 B FY 14 and $19 B FY 13) as shown in Table 34 on the next page. The increase in the UAL is a result of LASERS and Teachers' Retirement System of LA (TRSL) both decreasing their respective discount rates from 8% to 7.75% and both changing the actuarial cost method from Projected Unit Credit to Entry Age Normal. The UAL increase as a result of changing the actuarial cost method for both systems was $1.5 B (LASERS $620 M + TRSL $880 M). The discount rate change for TRSL increased the UAL by $570 M. The discount rate change as well as an experience study for LASERS increased the UAL by $725 M. The increases were partially offset by investment return gains of $1.16 B (LASERS $470 M + TRSL $690 M).

As of 6/30/2014, the UAL for each system is as follows and compared to the 2013 UAL:

TABLE 34		
System	**2014 UAL**	**2013 UAL**
Teachers	$11,973,763,757	$11,348,552,354
State Employees	$7,271,270,270	$6,441,316,964
School Employees	$806,632,711	$911,099,504
State Police	$288,865,398	$323,604,196
TOTAL	$20,340,532,136	$19,024,573,018

Note: Funded percentages of the 4 state retirement systems as of 6/30/2014 are as follows and compared to the 6/30/2013 funded percentage:

TABLE 35		
System	**6/30/14**	**6/30/13**
TRSL	57.40%	56.40%
LASERS	59.39%	60.20%
School Employees	61.60%	62.10%
State Police	65.50%	59.40%

The funding percentages represent the percentage of assets on hand to pay all current and future liabilities.

Higher Education FY 16 Funding

FY 16 funding for Higher Education totals $2.633 B ($652.5 M SGF, $37.5 M IAT, $1.326 B SGR, $533.7 M Statutory Dedications and $83 M Federal).

Budget adjustments based on anticipated revenues from various instruments approved by the House and Senate bring FY 16 total state funding for higher education to $931 M, ($382.4 M SGF in the base budget and $548.5 M in the supplementary budget section.) The supplementary section also includes a $350 M MOF swap replacing SGF with funding from the Higher Education Initiatives Fund. Deposits into the fund, not to exceed $350 M, will be made pursuant to Act 140 (SB 93) of 2015, which establishes the Student Assessment for a Valuable Education (SAVE) credit program. The Board of Regents (BOR) shall distribute funds pursuant to the formula for the equitable distribution of such funds to the institutions.

FY 16 appropriated funding levels represent a slight reduction in formula funding for the institutions and an increase of $39.8 M (SGF) for the Office of Student Financial Assistance (OSFA) for the Taylor Opportunity Program for Students (TOPS) and Scholarships/Grant Program.

Additionally, Act 16 (HB 1) contains $71.4 M (SGF) for institution specific initiatives: $16.1 M is contained in the base budget for LSU Health Sciences Center Shreveport for legacy costs resulting from the transfer of former public hospital facilities to the public/private partnerships. (The balance to fully fund these expenses is provided in the supplementary section.)

The balance of $55.3 M contained in the supplementary section provides for the following:

- Southern University System ($4.5 M), Grambling State University ($2 M), and the LA Community & Technical College System ($5 M); these funds were eliminated in the Executive Budget.
- Pennington Biomedical Research Center ($4 M) partially replaces one-time funds including $1.5 M WISE funding and $3 M for items that were off-budget.
- LSU Health Sciences Center Shreveport ($31.1 M) to maintain operational capacity and avoid risk of loss of accreditation due to inadequate funding.
- LSU Health Sciences Center New Orleans ($3 M) for research programs.
- LSU Ag Center ($2 M) to help offset rising mandated costs in employee/retiree health insurance and employee retirement contributions.
- LSU Health Sciences Center Shreveport ($3.7 M) for the balance of legacy costs.

Finally, the budget includes a total increase of $36.5 M in SGR for tuition increases in accordance with LaGrad Act Performance Agreements. Additionally, Act 377 (HB 152) of 2015 provides institutions additional authority to impose per credit hour and differential fees for certain programs not to exceed the national average of total fees reported by the National Center for Education Statistics by Carnegie classification. Each institution is required to allocate not less than 5% of funds to provide need-based financial aid to Pell Grant eligible students. Institutions are impacted by several issues in determining the extent to which tuition and fee revenues can be generated; some institutions are close to the SREB tuition cap and may not be able to raise the full 10% amount, some institutions have seen fluctuations in enrollment which reduce the amount generated, and some institutions may choose not to impose increases in order to maintain access for low income students. Hardship waivers, fee exemptions and other forms of student aid will also reduce actual collections of tuition and mandatory fees in FY 16. While the Board of Supervisors for the 4 systems have approved some tuition and fee increases, institutions are still evaluating potential increases for the 2015-2016 academic year. The LFO will continue to monitor this and report on these increases in future publications.

Student Assessment for a Valuable Education (SAVE) Credit Program

The SAVE program provides a tax credit against income, sales and use, gasoline and special fuel taxes for each student enrolling at a public institution of higher education. The amount of each credit must not exceed the average household tax liability in LA for the total of such taxes as determined by the Department of Revenue (DOR). Credits must be transferred to the BOR and used solely for each student enrolled in a public institution of higher education on and after 7/1/2015. Pursuant to the law, the BOR certified the Fall 2014 headcount enrollment of 216,123 at public institutions of higher education. The DOR estimates the total tax liability to be $2,548.38 resulting in a total credit amount of $550.7 M (216,123 x $2,548). However, per Act 140, the aggregate amount of credits cannot exceed $350 M. Finally, the State Treasury has indicated funding cannot be transferred to the Higher Education Initiatives Fund until income, sales, and motor fuels tax revenues have been received in FY 16. The secretary of the DOR and the treasurer must report such action immediately to the commissioner of administration and the Joint Legislative Committee on the Budget. Until then, institutions will be allowed to draw SGF in anticipation of such receipts. (The SAVE credit program sunsets on 6/30/2020.)

WISE (Workforce & Innovation for a Strong Economy)

For FY 16 the prior year transfer amount of $12.15 M from the Community Development Block Grant (CDBG) Program, which remains unexpended was carried forward; an increase of $12.15 was added for a total of $24.3 M, which will serve as the sole source of funding for the WISE initiative in the operating budget. There are no additional funds appropriated in capital outlay. CDBG funds can only be used in 53 of the 64 parishes which were impacted by hurricanes Gustav and Ike, as such there are 9 institutions with a combined 13 campuses located in Bossier, Caddo, Desoto Lincoln, Natchitoches and Webster which will not eligible to participate in the WISE initiative.

TOPS/GO Grants

For FY 16 TOPS is funded at $265.2 M ($200.1 M in SGF and $65.1 M from the TOPS Fund). This reflects an increase of $15 M primarily associated with tuition increases. A means of financing swap replaced non-recurring TOPS Fund associated with the tobacco refinancing with SGF ($22 M) and the Revenue Estimating Conference in their May 2015 meeting recognized $9.1 M in additional revenue for the TOPS Fund which was offset by a SGF reduction of the same amount. GO Grants remain funded at the standstill level of $26.4 M (SGF).

Department of Education (DOE)

FY 16 Minimum Foundation Program (MFP)

The Minimum Foundation Program (MFP) provides for an equitable distribution of state funds to local school districts. The MFP is the major source of state funding to local schools. FY 16 funding includes combined adjustments of $84.7 M in both base and supplementary budget recommendations. The budget includes $34.4 M for enrollment adjustments for an estimated 4,748 new students, (690,841 total enrollment), $6 M to align the formula with the current year baseline and $44.2 M for recommendations of the MFP Task Force. FY 16 funding totals $3.678 B ($3.391 B in SGF, $177.4 M from the Lottery Proceeds Fund and $109.7 M from the SELF Fund).

Citing budgetary concerns, the Senate Education Committee deferred the BESE recommended funding formula (HCR 18). As such, the DOE will continue to utilize the FY 15 MFP formula to allocate funds. Act 16 (HB 1) base funding does not include the $36.2 M for the recommended per pupil increase ($1.375%). Instead, this funding is included in the supplementary funding section; $20 M will be allocated from the Lottery Proceeds Fund using unclaimed prize monies. (These funds historically have been reinvested by the Lottery Corporation into lottery prizes and will be available after 1/1/2016). Additionally, $16.2 M is contingent on revenues generated from various instruments approved by the legislature or any additional revenues recognized by REC. This $36.2 M shall be allocated in the same manner as provided in the FY 15 MFP Formula, for a certificated classroom teacher pay raise, related employer retirement contributions and other expenditures in order to sustain the certificated teacher pay raise provided for by appropriation in FY 14.

Funding for various components of the MFP are provided below.

For FY 16, the MFP per pupil amount is $3,961 (Incorporating the $36.2 M funded outside of the formula brings the per pupil amount to $4,051.)

Level 1: Maintains the weights for Career and Technical Education units (6%), Special Education/ Other Exceptionalities (150%) and Special Education/Gifted and Talented (60%), and Low Income/ English Learner (22%). Maintains the calculation of local share necessary to maintain a state and local allocation ratio of 65% to 35%.

Level 2: Maintains the provisions of incentives for local effort.

Level 3: Continues the pay raises for certificated and support personnel initiated in 2001-2002 and 2006-2007 through 2008-2009; the 10-year phase out of the hold harmless funding; and a $100 per pupil funding amount for increasing mandated costs of health insurance, retirement and fuel.

Level 4: Supplementary Allocations: These new funding initiatives were added in the FY 15 MFP. In addition to the $36.2 M for the per pupil amount increase noted above, FY 16 funding includes $14 M for the following adjustments based on recommendations of the MFP Task Force which will be allocated in the same manner as the formula.

1) <u>*Career Development Allocation:*</u> **$6 M increase in the base budget** to support the development of technical courses required for statewide credentials in city and parish school systems and other public schools in the amount of 6% of the base per pupil cost for each qualifying student course enrollment; a minimum amount of $25,000 will be provided for each city and parish school system; and a minimum of $10,000 will be provided for other public schools with students enrolled in grades 9 through 12 ($10 M total funding).

2) *High Cost Services Allocation*: **$5.4 M increase in the base budget** for the funding pool available to public school systems and schools which substantiate that the prior year cost of services for students with disabilities exceeds three times the most recent state average total expenditure per pupil amount; allocation amounts are limited by the amount budgeted for this initiative and are to be distributed equitably to school systems and other public schools proportional to the total of qualifying applications submitted. DOE will continue using a 4-tier system distribution methodology with varying reimbursement rates ($9.4 M total funding).

3) *Supplemental Course Allocation:* **$2.6 M increase in the supplementary funding section** to provide for the cost of secondary course choices specifically approved by BESE. For each school system and other public schools funded through the formula, the allocation shall equal $35 for each student enrolled in grades 7-12 as of February 1st. ($10.4 M total funding).

Also Level 4 includes the Foreign Language Associate Program Salary & Stipends Allocation. The supplemental allocation is $21,000 per teacher. Of this, $20,000 shall be allocated to the school where the teacher is employed for support of the total cost of the teacher salary and $1,000 to be used for the costs of the VISA sponsorship incurred by CODOFIL, pursuant to BESE regulations. The cap of 300 teachers is retained.

Allocations for Other Public Schools: Continues funding methodology for the LSU and Southern University Lab Schools, Type 2 Charter Schools, Office of Juvenile Justice Schools, the Recovery School District, NOCCA and LSMSA.

Pay Raise Requirements: Schools must use at least 50% of any increased funding to supplement and enhance full time certificated staff salaries and retirement benefits for schools with an average teacher salary below the SREB average. FY 15 language required school systems to sustain 2013-2014 pay raises if there is a net increase in the Level 1 and 2 cost allocation. If the school system had established plans to sustain or increase the pay raises prior to the development of this formula, the provision does not apply.

Student Scholarship for Educational Excellence Program (Vouchers)

For FY 15 the SSEEP was funded at $46.2 M but due to lower than anticipated participation funding was reduced by $3.7 M as part of the Mid-Year Budget Deficit Reduction Plan. While those reductions were not annualized in the Executive Budget, funding was reduced to the FY 15 level through legislative action resulting in an FY 16 budget of $42 M. Currently, 128 schools are participating in the voucher program. In November 2014 the DOE reported that 15 participating schools did not meet required performance scores, and voucher students at an additional 8 schools did not achieve required proficiency rates. Those schools will not be permitted to enroll new students in the 2015-2016 school year. For the 2015-2016 the DOE has determined that 129 schools are eligible to participate, however only 91 will accept new student applications.

LA 4 Program

The Cecil J. Picard LA 4 Early Childhood Program is the primary preschool program in the state, serving approximately 16,300 children. It provides up to 10 hours of early childhood education and before and after activities daily to 4 year olds from disadvantaged families. The Nonpublic Schools Early Childhood Development Program (NCSED) provides low-income families the opportunity to attend state-approved private preschools and childcare centers and serves approximately 1,500 preschool children annually. Current funding is $4,580 per child.

For FY 16, the LA 4 Program is funded at $76.9 M ($9.4 M SGF and $67.5 M IAT) and the NCSED is funded at $7.4 M (SGF) for total LA 4 Program funding of $84.3 M. The original source of the IAT is TANF funds from the Department of Children & Family Services (DCFS). FY 16 funding includes a MOF swap replacing SGF with $27.9 in TANF funds. <u>Total funding remains at a standstill level.</u>

Child Care Development Fund

Act 3 of 2012 required BESE to create an early childhood care and education network to manage and oversee all publicly funded programs that serve children from birth to age 5, and to align and raise standards across all programs including early learning centers, the Cecil J. Picard LA 4 Early Childhood Program, the Child Care Development Fund Block Grant (CCDF) (Child Care Assistance Program), Early Head Start and Head Start. Act 898 of 2014 continued the implementation through the transfer of the CCDF Lead Agency Status from DCSF to the DOE effective 7/1/2015.

For FY 15, CCDF funds were budgeted in DCFS. Adjustments for FY 16 reflect DOE status as Lead Agency and direct recipient of the Child Care Development Fund (CCDF) effective 10/1/2015 (FFY 16). FY 16 expenditure authority for DOE totals $80.3 M; $24.3 M is Federal funds and $55.7 M is IAT from DCFS.

Funds will be used for payments to providers in the Child Care Assistance Program (CCAP), licensing, and provider certifications, scholarships and training for teachers and support staff at CCAP sites, implementation of the Early Childhood Care & Education Network including a coordinated enrollment system for each parish and an accountability system for publicly funded sites and community networks.

LSU Health Care Services Division (HCSD)

Transfer of Executive Administration & General Support Program Off-Budget

Act 16 (HB1) moved the LSU HCSD Executive Administration & General Support Program off-budget for FY 16. LSU HCSD reports this was a decision made by the Division of Administration (DOA). This Program oversees, monitors and provides support services to the public-private hospital partnerships in the southern part of the state by Cooperative Endeavor Agreement. **Note:** <u>This budget unit was moved back on budget by the administration in FY 15 after being an off-budget entity in FY 14.</u>

The Executive Administration & General Support Program was budgeted at $87,439,250 ($10,000,000 IAT and $77,439,250 SGR) in FY 15. LSU HCSD reports that its projected budget for FY 16 is $102.1 M, including $33.4 M SGF and $68.7 M SGR. The SGF monies will provide for legacy costs associated with the privatization of the charity hospital system (retiree group insurance, legal fees, unemployment insurance, risk management premiums, facilities maintenance and security, utilities and records storage). LSU HCSD projects that it will generate $68.7 M in SGR through the provision of support services to the private partners (Accountable Care Services, central business office functions, information technology, and provider services).

LSU Health Science Center (HSC) - Shreveport Supplemental Appropriation for Legacy Costs

Act 16 (HB1) of 2015 includes recommendations for $33.4 M in combined SGF and SGF supplemental funding to provide for legacy expenses of the 6 public/private partnership hospitals formerly administered by the LSU HCSD, and $19.84 M in combined SGF and SGF supplemental funding to provide for legacy expenses of the 3 public/private partnership hospitals formerly administered by the LSU HSC @ Shreveport (LSU-HSC). The LA Senate transferred $27.1 M of the $33.4 M for HCSD and $16.1 M of the $19.84 M for LSU HSC into the base SGF budget with the balance for each agency remaining as a supplemental SGF appropriation pending available funds.

Legacy costs are primarily associated with retiree health benefits, risk management premiums (which are based on a 3-year claims history and will diminish each year before extinguishing in FY 18), maintenance, utilities and security for non-partnership facilities until demolished or sold, and records storage. Once risk management premiums extinguish, the annual legacy costs of HCSD will be reduced by up to $10.9 M and at LSU HSC by $6.6 M (assuming all unused facilities are disposed). According to LSU HCSD, the amount allocated for legacy expenses ($33.4 M) is approximately $3.2 M short of projected need at $36.6 M. The Division of Administration reports that risk management premiums will be lower than the estimate provided by LSU HCSD. LSU HCSD reports it is likely able to absorb a shortfall of this magnitude with existing budget authority and revenues.

Significant Changes to Public/Private Hospital Partnership Cooperative Endeavor Agreements

Over the past 2 fiscal years, LSU and the state of LA have entered into a number of Cooperative Endeavor Agreements (CEAs) to privatize the operation of 9 public hospital facilities, while retaining direct management of the Lallie Kemp Medical Center in Independence as a state-operated facility.

The Department of Health & Hospitals (DHH) historically provided Medicaid funding to LSU as authorized under the State Medicaid Plan to compensate for high levels of uncompensated care costs. LA submitted State Plan Amendments (SPAs) to the Centers for Medicare & Medicaid Services (CMS) in order to authorize the additional Medicaid funds be made available to the private operators of the hospitals under the new CEAs.

CMS initially approved the SPA allowing Medicaid funding to Our Lady of the Lake, which took over the provision of services to patients formerly served by the Earl K. Long Medical Center. However, CMS subsequently refused to authorize SPAs approving the transfer of funds to specific other private entities.

The primary conflict within the CEAs was a provision to provide required funding levels to the private partners.

Subsequent to the CMS refusal to approve the proposed SPAs facilitating the privatization of the planned hospital operations, DHH, LSU and the participating private entities amended the original CEAs to facilitate CMS approval. Some changes were universal across all outstanding CEA relationships while others were specific to individual providers. The 5 amended CEAs intend to provide Disproportionate Share Hospital (DSH) payments to University Medical Center Management Corporation - New Orleans (UMCMC), University Hospital & Clinics, Inc. – Lafayette (UHC), Lake Charles Memorial Hospital - Lake Charles, Our Lady of the Angels Hospital, Inc. – Bogalusa, and the Biomedical Research Foundation of Northwest LA - combined operation of the LSU Medical Center – Shreveport and the E.A. Conway Medical Center - Monroe.

Significant Changes Universal to all CEAs

- DHH is removed as a named party with obligations under the CEAs.
- Private partners will have the right to terminate the CEA for convenience with 60 days prior written notice.
- Most of the private providers created a subsidiary through which to operate the public-private partnership. LSU is given the option to force the partner's withdrawal from its operating subsidiary, allowing for a continuity of operations under the existing CEA. This option does not apply to Lake Charles because there is no ongoing hospital operation and no operating subsidiary under the CEA.
- The obligation of partners to continue providing defined "core" and "key" services is more limited than under the original CEAs. Given the dissolution of guaranteed funding levels (see below), the CEAs were amended to include language allowing the discontinuance of one or more designated "core" or "key" services as contained in the original CEAs if the private partner reasonably determines that continued provision of such services would materially and adversely impact the partner or its subsidiaries or affiliates so long as the limitation or reduction will not materially and adversely impact the Public Purpose clause contained in each CEA.
- LSU reserves the right to terminate a CEA on 60 days advance notice if the partner fails to operate the hospital in a manner consistent with LSU's public mission. This option does not apply to Lake Charles because there is no on-going hospital operation and no operating subsidiary under the CEA.

Significant Financial Changes Universal to all CEAs

- All references to funding levels and state funding obligations were removed from the amended CEA's. State Plan Amendment 14-25 states, "each qualifying hospital shall be paid DSH adjustment payments equal to 100% of allowable hospital specific uncompensated care costs." The level of state appropriation and DSH provision in SPA 14-25 will govern payment to the partners. The SPA does not address supplemental Medicaid payments to partners.

- Partnership funding is subject to qualifying under the SPA, not simply as a result of being a provider designated within the CEA. Hospitals must meet the definition of a LA Low Income Academic Hospital, and have an uninsured patient utilization rate (based on inpatient and outpatient charges) of at least 20%, and maintain an established level of intern and resident positions.

Significant Changes Specific to University Medical Center Management Corporation (UMCMC) - New Orleans

- LA Children's Medical Center's (LCMC) obligation to guarantee UMCMC's lease payments will terminate upon LCMC's notice of its withdrawal as the sole member of UMCMC.

- The master lease agreement is revised to provide for a lease period of 5 years with automatic renewal for an additional 5 years unless UMCMC opts for nonrenewal within 270 days of each lease expiration period. In the original CEA, the lease provided for a 15-year lease period with an option to extend for 2 additional 15-year periods.

Significant Changes Specific to University Hospital & Clinics (UHC) – Lafayette

- Lafayette General Health System's (LGHS) obligation to guarantee UHC's lease payments will terminate upon LGHS's notice of its withdrawal as the sole member of UHC.

Section V

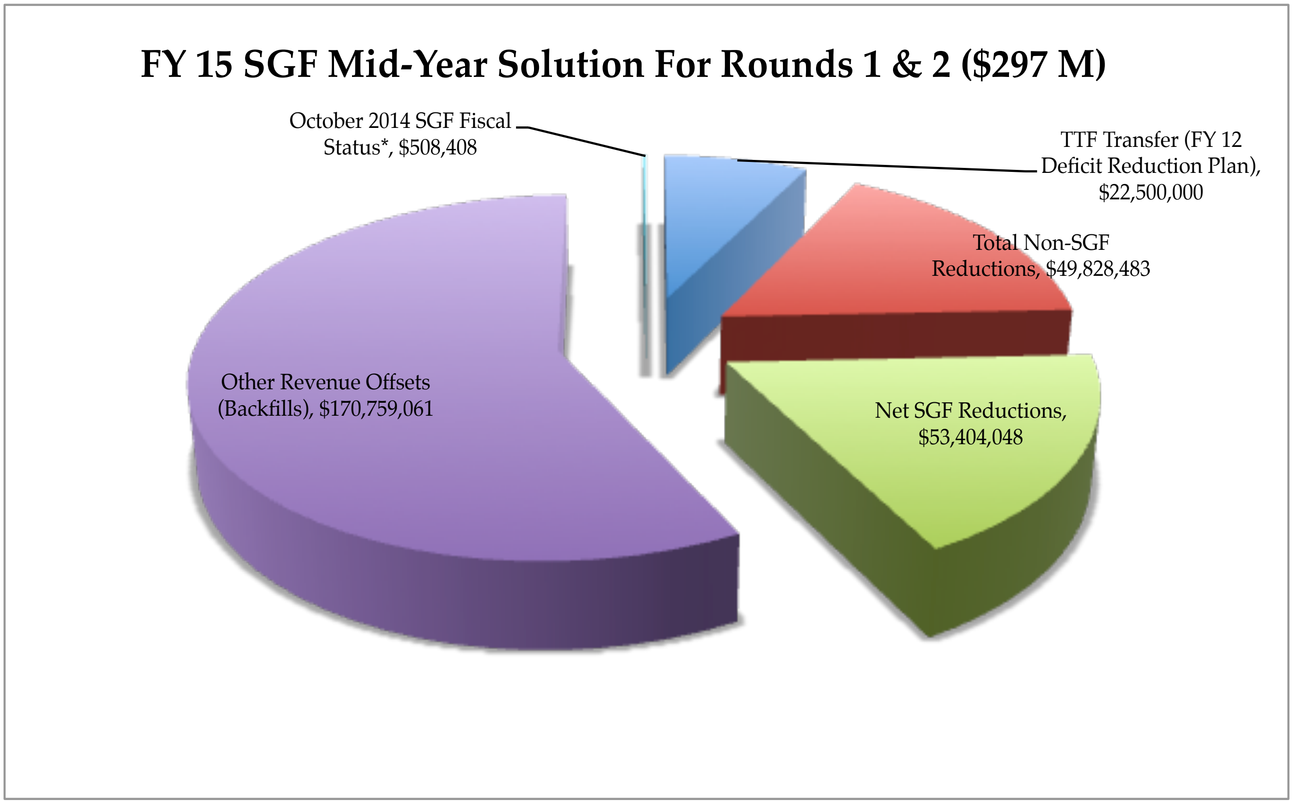
BUDGETARY ISSUES

FY 16 Major Budget Issues

DEPT/AGY: Statewide
ISSUE: FY 15 Mid-Year Deficit Reduction Summary & FY 16 Annualization of Mid-Year Cuts

The total FY 15 SGF revenue forecast reduction equates to $297 M ($171 M – November 2014 and $126 M – January 2015). Graph 5 and Table 36 below illustrate that the majority of the FY 15 SGF deficit solution did not involve SGF funded expenditure reductions. The majority of the solution (80%) involves the use of other revenue offsets (backfills) and cuts to non-SGF expenditures (statutorily dedicated funds, SGR & IAT), which results in approximately $53.4 M net SGF reductions.

GRAPH 5



****Note:** Approximately $508,000 of FY 15 SGF resources was still available as depicted in the Division of Administration (DOA) SGF fiscal status statement presented at the October 2014 JLCB meeting, which was 1 month prior to the SGF FY 15 revenue forecast being reduced.*

TABLE 36

TOTAL SGF SOLUTION FOR BOTH FY 15 MID-YEAR REDUCTION PLANS	
FY 15 SGF Revenue Forecast Reduction	($297.000)
TTF SGF Transfer (FY 12 Mid-Year Deficit Reduction Plan	$22.500
Total SGF Reductions (Approx. $170.8 M in revenue offsets)	$224.163
Total SGR Reductions	$8.340
Total Statutorily Dedicated Fund Reductions	$41.449
Total IAT Reductions	$0.040
Available SGF October 2014 SGF DOA Fiscal Status Statement	$0.508

Table 37 on the next page summarizes the 2 rounds and solutions.

TABLE 37

NET REDUCTION SUMMARY OF BOTH FY 15 MID YEAR DEFICIT REDUCTION PLANS	
November REC FY 15 SGF Revenue Forecast Reduction	($171,000,000)
January REC FY 15 SGF Revenue Forecast Reduction	($126,000,000)
Total REC FY 15 SGF Revenue Forecast Reduction	**($297,000,000)**
FY 15 Mid Year Deficit Solutions	
SGF Reduction (Executive Order) (Mid-Year Solution 1)	($153,080,648)
SGF Reduction (JLCB) (Mid-Year Solution 1)	($78,501)
Statutorily Dedicated Funds Reduction (Mid-Year Solution 1)	($15,015,098)
SGR Reduction (Mid-Year Solution 1)	($2,317,345)
Resource Offsets (Mid-Year Solution 1)	$135,875,436
TTF SGF Transfer (FY 12 Deficit Reduction Plan)	$22,500,000
SGF Reduction (Executive Order) (Mid-Year Solution 2)	($67,066,176)
SGF Reduction (JLCB) (Mid-Year Solution 2)	($3,937,784)
Statutorily Dedicated Funds Reduction (Mid-Year Solution 2)	($26,433,740)
SGR Reduction (Mid-Year Solution 2)	($6,022,345)
IAT Reduction (Mid-Year Solution 2)	($39,955)
Resource Offsets (Mid-Year Solution 2)	$42,883,625
Aggregate Net Impact of Both Mid-Year Solutions	**($72,732,531)**

FY 15 Mid-Year Cuts Annualized in FY 16 Budget

Due to the FY 15 mid-year reductions being implemented after 12/1/2014 Existing Operating Budget (EOB) baseline for developing the FY 16 budget, the FY 15 mid-year cuts were not included in the existing operating budget baseline. However, included in the FY 16 budget are budgetary adjustments that reduce state expenditure by annualizing a portion of the FY 15 mid-year reductions. Based upon the FY 16 proposed budget, of the $224.2 M SGF reductions enacted in FY 15 to solve the mid-year budget deficits, only 16% (24% Total MOF) has been included in the FY 16 proposed budget. This illustration supports the idea that the majority of the FY 15 mid-year deficit reduction plans have been solved with the use of one-time revenue offsets (backfills). Table 38 below breaks down the FY 15 mid-year cuts annualized in the FY 16 budget by department.

TABLE 38

FY 15 Mid-Year Reductions Included in FY 16 Exec. Budget	SGF	IAT	SGR	Stat. Ded	Federal	Total	TO
01-EXEC	($1,985,080)	($415,666)	$0	($3,885,402)	($41,348)	($6,327,496)	(35)
03-VETS	($290,000)	$0	$0	$0	$0	($290,000)	0
04-STATE	($3,351,050)	$0	$0	$0	$0	($3,351,050)	0
04-DOJ	$0	$0	$0	$0	$0	$0	0
04-LT GOV	($73,994)	$0	$0	$0	$0	($73,994)	0
04-TEASURY	$0	$0	$0	$0	$0	$0	0
04-PSC	$0	$0	$0	$0	$0	$0	0
04-AGRI	($263,727)	$0	$0	$0	$0	($263,727)	0
04-DOI	$0	$0	($1,541,531)	($75,175)	$0	($1,616,706)	(10)
05-LED	$0	$0	$0	$0	$0	$0	(1)
06-CRT	($4,307,025)	$0	($286,003)	($45,343)	$0	($4,638,371)	(7)
07-DOTD	$0	$0	$0	$0	$0	$0	0
08-CORR	($1,333,693)	$0	$0	$0	$0	($1,333,693)	(6)
08-DPS	$0	$0	($540,000)	($1,875,045)	$0	($2,415,045)	0
08-OJJ	($551,903)	$0	$0	$0	$0	($551,903)	(10)
09-DHH	($13,273,961)	($1,272,624)	$0	$0	($10,397,580)	($24,944,165)	(35)
10-DCFS	($764,566)	$0	$0	$0	($684,533)	($1,449,099)	0
11-DNR	$0	$0	$0	$0	$0	$0	0
12-REV	$0	$0	($2,529,496)	$0	$0	($2,529,496)	0
13-DEQ	($9,908)	$0	$0	($2,492,087)	$0	($2,501,995)	0
14-WORK	$0	$0	$0	$0	$0	$0	(13)
16-WLF	$0	$0	$0	($2,321,250)	$0	($2,321,250)	0
17-CIVIL	$0	$0	$0	$0	$0	$0	0
19-HIED	$0	$0	$0	$0	$0	$0	0
19-OTED	($45,000)	$0	$0	$0	$0	($45,000)	(1)
19-DOE	($4,980,019)	$0	$0	$0	($658,000)	($5,638,019)	(14)
19-HCSD	$0	$0	$0	$0	$0	$0	0
20-OTHER	($4,800,000)	$0	$0	$0	$0	($4,800,000)	0
TOTAL	**($36,029,926)**	**($1,688,290)**	**($4,897,030)**	**($10,694,302)**	**($11,781,461)**	**($65,091,009)**	**(132)**
FY 15 Mid-Year (Round 1)	($153,159,149)	$0	($15,015,098)	($2,317,345)	($2,146,897)	($172,638,489)	(162)
FY 15 Mid-Year (Round 2)	($71,003,960)	($39,955)	($6,022,345)	($26,433,740)	($285,223)	($103,785,223)	(7)
FY 15 Mid-Year Total	**($224,163,109)**	**($39,955)**	**($21,037,443)**	**($28,751,085)**	**($2,432,120)**	**($276,423,712)**	**(169)**
SGF Offsets (Backfill)	$170,759,061	$0	$0	$0	$0	$170,759,061	
Net SGF Impact	**($53,404,048)**	**($39,955)**	**($21,037,443)**	**($28,751,085)**	**($2,432,120)**	**($105,664,651)**	

DEPT/AGY: Statewide
ISSUE: Outstanding Fund Balance Transfers (Transportation Trust Fund)

Since FY 11 there have been 4 funds bills (Act 378 of 2011, Act 597 of 2012, Act 420 of 2013 and Act 646 of 2014) and a deficit reduction plan (FY 12) enacted that require the State Treasury to transfer fund proceeds from various statutorily dedicated funds in order to balance the state budget. To date, there are various prior year fund transfers that have not taken place and according to the State Treasury are still outstanding. Although the accounting books for these fiscal years have been closed, the State Treasury is of the legal opinion that these transfers are an outstanding obligation of the respective statutorily dedicated fund. Since the prior legislative Acts are still effective and the fact that all of these funds are still not available to transfer, State Treasury is still seeking to transfer these outstanding proceeds.

A recent example of this issue is $22.5 M of Transportation Trust Funds (TTF) transferred to the SGF in FY 15 that was officially recognized by the Revenue Estimating Conference (REC) in January 2015. These resources were originally to be utilized to help "solve" the FY 12 mid-year deficit, originally reported to the Joint Legislative Committee on the Budget (JLCB) in December 2011. At that time, the FY 12 SGF mid-year deficit problem was $251.3 M, which consisted of the following:

($197.7 M)	SGF revenue forecast reduction (November 2011 adopted revenue forecast)
($42.6 M)	MFP Underfunding Due to October 2011 Child Count
$2.9 M	Calculated SGF available after HB 1 enrollment (monthly fiscal status report)
($13.8 M)	FY 11 SGF End of Year Deficit
($251.3 M)	Total FY 12 SGF Deficit

At that time (December 2011), the Division of Administration (DOA) presented the FY 12 Deficit Elimination Plan to the JLCB, which consisted of $140.9 M in SGF Executive Order reductions (BJ 2011-25), $72.2 M in SGF reductions approved by the JLCB, $119.3 M in ad hoc resources utilized to offset SGF reductions and $38.2 M of statutorily dedicated fund expenditure reductions approved by JLCB, of which the TTF reduction ($24.4 M) represented 63% of the total statutorily dedicated fund expenditure reductions.

R.S. 39:75 (Avoidance of Budget Deficits) provides that once the governor has reduced the SGF by at least seven-tenths of 1% and a deficit still exists, the governor, with approval by the JLCB, can reduce statutorily dedicated funds up to 5%. Financing becomes available from these statutorily dedicated funds after expenditures are reduced and the reduced amount eventually transferred into the SGF to offset the SGF revenue forecast reduction, likely during the 14th period (August) (end of year accounting FY close-out).

Upon approval by JLCB of statutorily dedicated fund expenditure reductions to resolve a mid-year deficit, R.S. 39:75(C)(2)(e) allows the state treasury to transfer these reduced amounts from the statutorily dedicated fund to the SGF to solve the deficit. After the statutorily dedicated budget authority reductions, financing is supposed to be available as a result of the expenditure reduction for transfer to the SGF to close the deficit. However, in FY 12 the TTF never generated enough revenue collections above appropriated expenditures even after the mid-year reduction. Thus, State Treasury could not transfer these funds to the SGF until now (September 2014 – FY 15) because these funds have not been available. For context, in FY 12 the state finished with a $113.2 M SGF surplus. To the extent these TTF resources would have been transferred to the SGF during FY 12, the $113.2 M surplus would have been $24.4 M greater, or $137.6 M.

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: Governmental Efficiency Management Support (GEMS) "Savings"

Included within the FY 16 budget are GEMS budgetary reductions that equate to a total of $94.3 M in SGF ($163.2 M Total MOF). These budgetary reductions have various moving parts including: reduction associated with statewide initiatives such as procurement and human capital, agency specific GEMS adjustments and the creation of the Office of State Human Capital Management and the Office of State Procurement. Table 39 below is a summary of the net SGF and total means of financing (MOF) impact of the GEMS initiatives built into FY 16.

TABLE 39

SUMMARY (in millions)	SGF	Total MOF
Statewide GEMS Reduction	($46.7)	($57.9)
Human Capital/Procurement Consolidation & Billing	$1.0	$32.0
Statewide Adj Sub-Total	**($45.7)**	**($25.9)**
Agency Specific GEMS Reduction	($48.6)	($137.3)
TOTAL	**($94.3)**	**($163.2)**

Statewide GEMS Reductions ($46.7 M – SGF, $57.9 M – Total MOF)
The FY 16 budget includes a statewide adjustment that captures all anticipated expenditure savings from the statewide procurement initiative and the human capital initiative. The breakdown of the initiatives is as follows:

	FY 15	**FY 16**
Procurement Initiative	$18.6 M	$17.3 M
Human Capital Management Initiative	$5.5 M	$5.3 M

According to the DOA, all these procurement and human capital GEMS initiatives will result in recurring savings at various state agencies and have been built into the FY 16 budget.

Agency Specific GEMS Reductions ($48.6 M – SGF, $137.3 M – Total MOF)
The FY 16 budget includes various agency specific GEMS initiatives that are either annualized in the FY 16 budget (implemented in FY 15) or will be new initiatives in FY 16. The majority of this SGF reduction is contained within the Medicaid Program in the amount of $33.9 M SGF. For detailed information on the specific impact of these reductions, see the *GEMS Reductions & Cuts – Medicaid* issue write-up on Pages 124 - 125.

Other significant agency specified SGF GEMS reductions include $7 M within the Office of Juvenile Justice (OJJ) and $7.3 M net reduction adjustment within the Local Housing of State Offenders.

The $7 M in GEMS adjustments within OJJ is due to various initiatives including: probation & parole caseloads, relocation of youth, increasing Title IV-E Funds, improvement to monitoring non-secure residential contract providers & diversion program contract providers and span of control.

The $7.3 M aggregate net adjustment within Local Housing of State Adult Offenders is associated with multiple initiatives, which seek to facilitate early release for certain offenders and increase participation in transitional work programs. While the projected savings total $13.2 M, the FY 16 budget includes implementation costs of $701,000 for Work Release and $5.1 M for Reentry Services.

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: LaGov

Due to FY 11 – FY 16 budget constraints, the DOA decided to phase-in implementation of the LaGov System by bringing online the Department of Transportation & Development online in FY 11, the Department of Environmental Quality in FY 13 and the Department of Natural Resources, Wildlife & Fisheries and the Coastal Protection & Restoration Authority in FY 14. The hardware/software infrastructure is in place for a statewide rollout. However, for FY 16 the DOA anticipates full implementation of one of the procurement and professional services contracts modules, which is one of the major modules of the system. The anticipated cost of implementing this portion of LaGov statewide is approximately $3 M. The statewide procurement module went live prior to 7/1/2015. According to the DOA, state agencies will be utilizing the LaGov functionality, but those not currently on the entire system will continue to use the current accounting system as the LaGov has an interface with the current state financial system.

Once implemented, the last remaining modules to be implemented statewide include ($22 M) for the following: Budgeting - $4 M (would replace Office of Planning & Budget's current system) & Financial - $20 M (would replace the current AFS, which houses core financials). It is unknown at this time if the DOA will seek to implement the remaining modules of the system statewide or on agency-by-agency basis. However, the further a complete statewide rollout is delayed, the less relevant the LaGov system becomes and the increased risk that the current 18-year old legacy system (AFS) will crash beyond repairs.

According to the DOA, the various LaGov related projects to be undertaken in FY 16 include:

- Begin an implementation project to bring Facility Planning & Control on LaGov with a go live date of 7/1/2016 (FY 17);
- Implementation of online bidding for vendors; and
- Ability of vendors to submit invoices electronically (Coastal Protection & Restoration Authority is pilot).

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: Office of State Human Capital Management

The FY 16 budget includes the creation of a new ancillary state agency called the Office of State Human Capital Management. According to the DOA, the Office of State Human Capital Management will provide a centralized approach to the deployment of human capital management strategies. Currently, the HR function is decentralized among state agencies with agencies applying inconsistent application of HR management and policy. The DOA anticipates a total recurring SGF savings of $10.8 M ($5.5 M – FY 15, $5.3 M – FY 16) in the FY 16 budget as a result of this initiative. These specific adjustments are reflected within Major Reductions Section of this document as the "GEMS Savings" statewide adjustment, which is also discussed in the *GEMS "Savings"* issue write-up on Page 113.

The newly created agency's recommended FY 16 budget is $24,993,755 IAT and 317 positions. The original IAT resources will be generated from multiple means of financing of those state agencies utilizing the services provided by the Office of State Human Capital Management. Centralizing HR personnel within one agency will result in the elimination of 43 positions and the transfer of 5 positions from the OHC to the Department of Civil Service. The specific state agencies impacted by these various adjustments in positions are shown in Table 40 on the next page.

TABLE 40

Positions Impact	Reductions	Transfers	Total
Division of Administration	(8)	(20)	(28)
Economic Development	0	(3)	(3)
Transportation & Development	(3)	(43)	(46)
Corrections	(1)	(40)	(41)
Public Safety	(2)	(24)	(26)
Juvenile Justice	0	(5)	(5)
Health & Hospitals	(10)	(89)	(99)
Children & Family Services	(4)	(38)	(42)
Natural Resources	0	(15)	(15)
Revenue	(8)	(7)	(15)
Workforce Commission	(7)	(7)	(14)
Education	0	(21)	(21)
TOTAL*	(43)	(322)	(365)

**The newly created OHC anticipates having 322 positions transferred to the agency with 5 of the 322 being transferred to the State Civil Service. Thus, the total number of positions recommended for this new office is 317.*

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: Office of State Procurement (OSP)

Pursuant to Act 864 of 2014, the Office of State Purchasing and the Office of Contractual Review have been consolidated into one office called the Office of State Procurement. According to the DOA, the Office of State Procurement is responsible for the State's enterprise procurement activities by leveraging the State's position in the market to generate savings.

A major GEMS initiative of the newly created office is the use of strategic sourcing, which allows the buying power of larger state agencies, who typically buy a significant amount of goods in a particular category, to benefit smaller state agencies. For example, the Departments of Health & Hospitals, Revenue, and Children & Family Services equate to 80% of the amount spend for shredding services. To the extent strategic sourcing is utilized, the state would be managing one procurement contract for shredding services with the ability for smaller agencies to have those services provided at much lower costs.

Although the DOA started portions of this transformation in FY 14, there are GEMS initiatives associated with this continued transformation in FY 16, which consist almost entirely of strategic sourcing. The DOA anticipates a total recurring SGF savings of $35.9 M ($18.6 M – FY 15, $17.3 M – FY 16). These specific reductions are reflected within the *Governmental Efficiency Management Support (GEMS) "Savings"* issue write-up on Page 116.

The newly created agency's recommended FY 16 budget is $9,500,022 from IAT ($9,060,756) and SGR ($439,266) sources and 96 positions. The original IAT resources will be generated from multiple means of financing of those state agencies utilizing the services provided by the Office of State Procurement. According to the DOA, by creating this office as an ancillary (internal service fund), like the Office of Technology Services (OTS), which was created last year, this new office can bill customer agencies proportional allocation of statewide direct and indirect costs, which allows for the service to be funded with multiple means of finance as opposed to SGF dollars within the DOA. This will allow those state agencies that receive federal funds to be reimbursed by invoiced Office of State Procurement expenditures. There are no reductions in positions as a result of this initiative built into the FY 16 budget. Table 41 below specifies the specific agencies impacted by the various positions transferred to the newly created Office of State Procurement.

TABLE 41

Positions Impact	Transfers
Division of Administration	(77)
Transportation & Development	(3)
Health & Hospitals	(9)
Workforce Commission	(1)
Education	(4)
Risk Management	(2)
Office of State Procurement	96
TOTAL	0

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: Office of Technology Services (OTS)

FY 16 is the second fiscal year of existence for the OTS. The OTS is the central procurement and provisioning agency for all technology goods and services. The descriptions below are potential budgetary issues of the agency in FY 15 and in FY 16.

<u>*FY 15 Cash Flow:*</u> Due to delays in billing state agencies, since the enactment of Act 712 of 2014 the newly created Office of Technology Services (OTS) has been operating with $42 M of SGF cash advance in the form of State Treasury Seeds. Through the 13th Accounting Period, OTS has expended $168.3 M, has collected $168 M of billable revenues from various state agencies and has repaid its $42 M seed in full. The resources that kept this newly created state agency afloat are the $42 M in SGF cash advances ($21 M approved in July 2014 & $21 M approved in September 2014). According to the Division of Administration (DOA), the reason OTS did not received timely billing revenues is due to the time it has taken to formally set up a billable process. Table 42 below illustrates the month-to-month cash flow of the agency. ***Note:*** *OTS is in the process of requesting approximately $10 M for FY 16 to start the year, which will assist in temporarily offsetting the negative $311,000 cash shortfall depicted below.*

TABLE 42

OTS	Expenditures	Treasury Seed	Revenue Collections	True Monthly Cash Flow	Monthly Cash Flow (wSeeds)
Jul-14	$6,736,977	$21,000,000	$0	($6,736,977)	$14,263,023
Aug-14	$14,701,564	$0	$0	($14,701,564)	($14,701,564)
Sep-14	$14,265,022	$21,000,000	$992,856	($13,272,166)	$7,727,834
Oct-14	$13,491,831	$0	$8,208,087	($5,283,744)	($5,283,744)
Nov-14	$14,031,065	$0	$13,451,008	($580,057)	($580,057)
Dec-14	$14,538,623	$0	$12,520,512	($2,018,111)	($2,018,111)
Jan-15	$14,006,982	$0	$18,839,487	$4,832,505	$4,832,505
Feb-15	$9,499,497	$0	$8,765,947	($733,550)	($733,550)
Mar-15	$14,199,495	$0	$13,533,205	($666,290)	($666,290)
Apr-15	$13,687,547	$0	$12,452,529	($1,235,018)	($1,235,018)
May-15	$13,131,626	$0	$12,772,728	($358,898)	($358,898)
Jun-15	$15,996,822	$0	$26,384,627	$10,387,805	$10,387,805
13th Period	$10,054,228	$0	$40,108,902	$30,054,674	$30,054,674
Total	**$168,341,279**	**$42,000,000**	**$168,029,888**	**($311,391)**	**$41,688,609**
Repayment (May)	*$0*	*($5,000,000)*	*$0*	$0	**($5,000,000)**
Repayment (June)	*$0*	*($37,000,000)*	*$0*	$0	**($37,000,000)**
FY 15 Grand Total	**$168,341,279**	**$0**	**$168,029,888**	**($311,391)**	***($311,391)***

Note: *Pursuant to R.S. 39:71(D), upon approval of the Commissioner of Administration and concurrence of the state treasurer, a cash advance or seed may be granted to a requesting state agency. Typically, treasury seeds are designed to provide operating capital to a state agency until an anticipated revenue source is actually collected. Once collected, the agency will utilize these collections to repay the State Treasury for the total amount of seed resources expended. State Treasury seeds are basically short-term loans that must be repaid prior to the close of the fiscal year.*

FY 16 OTS Budgetary Adjustments

The net total budgetary adjustments included within FY 16 for OTS related expenditures is a reduction of $2 M SGF and $13.1 M Total MOF, which includes a SGF reduction of $16.5 M within the DOA. Table 43 provides a summary of statewide OTS adjustments.

TABLE 43

Statewide OTS Adjustments	SGF	Total MOF
Division of Administration	($16,529,050)	($30,500,920)
Other Agency Adjustments	$14,511,182	$17,420,426
Net Total OTS Adjustments	**($2,017,868)**	**($13,080,494)**

The DOA adjustments consist of the following:

	DOA SGF Adj.
SGF Pooled Resource Reallocation	$11.6 M
IT Billing Associated w/Payroll & Positions Mgmt.	$4.9 M
Total	**$16.5 M**

SGF Pooled Resources ($11.7 M SGF): During the FY 15 budget development process, all net SGF contained within a state agency's budget related to IT expenditures was transferred from the agency to the DOA. During the current year (FY 15), when the OTS invoices a state agency for IT services, no SGF is collected from that state agency as these resources are paid on behalf of the state agency to OTS by the DOA due to the manner in which the FY 15 budget was developed. However, in the FY 16 budget, these "pooled resources" are being reallocated back to the state agency in the aggregate amount of $11.6 M.

IT Billing Associated with Payroll & Position Management ($4.9 M): Due to OTS being an ancillary agency, the agency bills its customers (state agencies) for use of IT services. OTS collects invoice payments and classifies them as IAT revenue. One of the significant IT systems all state agencies utilize daily is the state's payroll system (ISIS HR). Included within the FY 16 budget is the cost allocation spread among various state agencies and multiple means of financing for use of the state's payroll system and position management system. Because OTS is an ancillary, it can bill customer agencies a proportional allocation of statewide direct and indirect costs, which allows for the service to be funded with multiple means of finance as opposed to SGF dollars within the DOA. In years past, the DOA paid for the annual maintenance costs of ISIS-HR with SGF monies. Now, starting in FY 16, this cost will be borne by the user agencies through their various MOF. This will allow those state agencies that receive Federal funds to be reimbursed by invoiced OTS ISIS-HR expenditures.

DEPT/AGY: **Executive/Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP)**
ISSUE: **FEMA State Match Payment Plan**

The FY 16 budget provides additional SGF for the first year of a 5-year payment plan associated with the state match requirements from previously declared natural disasters. All of these natural disaster events have either 90/10 state match or 75/25 state match requirements. **Note:** *Match payments to FEMA were delayed due to disagreements the state had with FEMA regarding the amount the state owed. Once this issue was resolved, a payment schedule was crafted.* According to FEMA, the state owes $53,801,581 with the first payment being due 7/1/2015 in the amount of $5 M. FEMA provided the state 3 different repayment options over a 5-year period.

- Option 1 provides for equal $10.25 M annual payments, 80% reduction of interest & fees with a total pay out of $51.2 M;
- Option 2 provides for accelerated payments beginning at $5 M, 60% reduction of interest & fees with a total pay out of $53.8 M;
- Option 3 provides for annual payments of $5 M for 4 years, a $4.7 M payment in the final year, one lump sum payment of $30.5 M in year one, 40% reduction of interest & fees with a total pay out of $55.2 M.

The state selected the Option 2 repayment schedule. After the first payment in FY 16, the state owes $47.5 M. The specific disaster events associated with the state match include: flooding event, Gustav, Ike, Isaac, Tropical Storm Allison, winter storm, severe storms, thunderstorms and flooding, freezing rain & ice storms.

Transaction Date	*Beginning Balance*	*Interest*	*Payment*	*Ending Balance*
7/1/2015 (FY 16)	$52,083,234	$438,453	($5,000,000)	$47,521,686
7/1/2016 (FY 17)	$47,521,686	$438,453	($6,910,299)	$41,049,840
7/1/2017 (FY 18)	$41,049,840	$382,939	($10,365,449)	$31,067,329
7/1/2018 (FY 19)	$31,067,329	$292,300	($13,820,599)	$17,539,030
7/1/2019 (FY 20)	$17,539,030	$166,204	($17,705,234)	$0

DEPT/AGY: Executive/LA Stadium & Exposition District (LSED)
ISSUE: SMG Management Agreement Extension

At the Interim Emergency Board (IEB) meeting on 1/26/2015, the IEB approved the contract renewal of the management contract with the state and SMG (private company that manages the Mercedes-Benz Superdome & Smoothie King Center). The contract renewal provides for a 5-year extension through 6/30/2022 with an option, at the state's discretion, to extend a second 5-year term through 6/30/2027. The current agreement expires on 6/30/2017.

The contract extension also provides for a base fee reduction of $300,000, Consumer Price Index (CPI) escalation cap reduction from 4% to 2%, and provides for SMG to make available up to $5 M to the LSED for use on capital improvements at facilities. Although not specifically required by the agreement, the state may include its own resources through the capital outlay process as match for any planned improvements for the Mercedes-Benz Superdome and Smoothie King Center. The specific projects are not yet known at this time.

SMG is paid for its services through a combination of fees including a base fee, incentive fee and bonus fee. Under the current agreement, the combined fee paid to SMG may not exceed $1.5 M with adjustments to this cap based upon the CPI. Based upon the latest Legislative Audit reports, the total management fee in FY 13 and in FY 14 was $1,526,464 and $1,494,139. Based upon the new agreement, the projected aggregate cap for FY 18 is estimated to be $1,261,622.

DEPT/AGY: Executive/LA Commission on Law Enforcement (LCLE)
ISSUE: Potential Costs of Paying for Sexual Assault Forensic Exams Under Executive Order BJ 2014-17

Signed in November 2014, Executive Order BJ 2014-17 mandated that hospitals can no longer bill victims of sexual assault for medical services related to the standard forensic exam that each victim receives. A package of legislation (Acts 186 and 229 of 2015) initially sponsored by Representative Moreno has since codified BJ 2014-17 into statute, as well as altered the billing, medical treatment, and evidence collection processes for victims of sexually oriented criminal offenses. In addition, the package of legislation enacted during the 2015 session creates and funds a specific account within a statutory dedication to provide funding for the aforementioned medical treatment and evidence collection.

The LCLE Crime Victim Reparations Board (CVRB) will now assume certain medical costs deemed standard by the Department of Health & Hospitals (DHH) related to sexual assault Forensic Medical Exams (FME). With LCLE assuming the costs for LA's FME Program, net state expenditures will significantly increase. However, Act 186 of 2015 funds these expenditures by mandating that unclaimed winnings from riverboat casinos, the land-based casino in New Orleans, pari-mutuel horse racing wagers, and slot machines at racetrack casinos be remitted to the State Treasury on a quarterly basis for deposit in the statutorily dedicated Crime Victim Reparations Fund. Casinos and racetracks previously treated unclaimed winnings as bottom-line profits.

Funds derived from the unclaimed winnings will be earmarked specifically for funding FMEs for victims of sexually oriented offenses. Based upon averages for each of the categories obtained from the Department of Public Safety's Gaming Enforcement Division, the total projected amount of unclaimed winnings that may be available to fund FMEs statewide is approximately $1.6 M after deducting state taxes and unclaimed winnings from off-track betting parlors. The CVR Fund's budgeted authority for FY 15 was $3.68 M. In FY 16 the CVR's fund's budgeted authority is approximately $3 M.

Act 229 of 2015, a companion to Act 186, states victims of sexually oriented offenses cannot be billed for services related to healthcare providers performing FMEs. CVRB must incur costs related to performing FMEs if the victim does not consent to the healthcare provider making a claim against their insurance and if the victim is not a beneficiary of LA's Medicaid, Medicare, or Tricare programs.

Previously medical facilities would bill victims of sexually oriented offenses, their insurance, or another third party payer for medical services related to FMEs. CVRB was only liable for costs brought to their attention by victims filing a claim for reparations, as is the process for victims of all other forms of crime. Over the last two fiscal years, CVRB only paid 5 awards for claims on medical services related to FMEs at an average cost of $2,700 per claim, or a total of $13,500.

Act 229 also places a cap in the amount of $1,000 that hospitals can be reimbursed for performing services related to FMEs. Furthermore, Act 229 limits reimbursable expenses of FMEs to forensic examiner and hospital or healthcare services, scope procedures including (but not limited to) anoscopy and colposcopy, as well as laboratory testing. The act also grants the CVRB the authority to determine reimbursement rates for medical services related to FMEs and promulgate them by administrative rule. As of this writing, the CVRB is still in the process of determining reimbursement rates for medical services related to FMEs.

Using the $1.6 M projection of additional funds generated from unclaimed gaming winnings and the maximum reimbursement rate cap of $1,000 established in Act 229, LA's projected capacity to fund FMEs for victims of sexually-oriented offenses at the maximum payout is approximately 1,600 cases annually. According to the FBI's Uniform Crime Reporting (UCR) database, LA had 1,619 reported rapes in 2013, just over the estimated funding capacity of the unclaimed gaming winnings. In addition, the Rape, Abuse & Incest National Network (RAINN) estimates that only 32% of rapes are reported to law enforcement. Act 229 provides that victims of sexually oriented offenses receive medical procedures related to FMEs even if they choose to not report their case to law enforcement, which the act also lists as a victim's right. Therefore, it is possible that the number of victims who receive treatment may be greater than indicated by historical data on reported rapes.

It is also important to note that CVRB has standing federal assistance in carrying out its duties. For every dollar appropriated for CVRB in a particular fiscal year, it receives 60 cents from the federal Office for Victims of Crime (OVC) in the next fiscal year by way of the Victims of Crime Act. Therefore, increased state expenditures in a particular fiscal year related to medical services for sexual assault victims receiving FMEs may result in additional federal funding in the next fiscal year. However, there is a lag period of 12 to 18 months before this funding becomes available. To the extent that the $1.6 M estimate for unclaimed gaming winnings is realized in FY 16, the OVC will provide an additional $960,000 in federal grant funding in FY 17. This additional federal funding may provide some relief in the event that that unclaimed gaming winnings do not provide sufficient funding for procedures related to FMEs.

Resources derived from unclaimed gaming winnings will not be available until October 2015. Currently, LCLE anticipates using resources in the CVR Fund obtained via court fees, unclaimed gaming winnings, and federal grant awards to fund health care benefits for victims of sexually oriented offenses at the program's outset. LCLE will evaluate the level of funding obtained through unclaimed gaming winnings, then will decide whether to continue using resources received via court fees as the program progresses, or to fund it using only unclaimed gaming winnings and federal grant awards.

It is important to note that the provisions of Act 229 will only cover medical expenses *related* to the FME. If a patient receives treatment outside of the provisions of the FME, the hospital can use its usual billing process. Victims of sexually-oriented offenses who are billed for medical services outside of the FME may then file a separate claim for reparations with the CVRB, which would represent a separate but additional cost.

Furthermore, Act 229 provides that the DHH must consult with local stakeholders in each of its 9 regional health service districts to coordinate and establish an annual sexual assault response plan in each district. Each plan must include who is responsible for purchasing sexual assault examination kits, which must conform to a standard provided by DHH. It is possible that parish coroners' offices or their designee may incur additional costs for purchasing sexual assault examination kits under the auspices of the plan. The extent of these costs is dependent upon what DHH establishes as a standard kit and the number of kits a parish purchases. Pursuant to LA RS 13: 5713, coroners have the authority to conduct examinations in cases of sexual assault, as well as the authority to designate a healthcare facility as the lead examiner of sexual assault victims.

The legislative package on sexually oriented offense sponsored by Representative Moreno accomplishes many of the tasks outlined in BJ 2014-17. Based upon historical data on reported rapes, the established reimbursement ceiling for FME procedures, and the $1.6 M estimate of unclaimed gaming winnings, and potential increases in federal grant aid in subsequent fiscal years, the state is in a good position to fully fund all FMEs statewide in FY 16. However, because of the change in reporting practices for sexually-oriented offenses, as well as the yet-to-be established reimbursement schedules and sexual assault examination kit standards, the specific annual costs related to this legislative package are currently indeterminable.

DEPT/AGY: Veterans Affairs
ISSUE: Veterans Cemeteries Program Expansion

The LA Department of Veterans Affairs (LDVA) currently operates 3 cemeteries for the purposes of interring qualifying veterans, their spouses, and dependent children. LDVA provides burial services free of charge for veterans and allows burials of family members for a fee of $700. LDVA is able to perform veterans' burials free of charge via burial allowances of $745 per burial received from the Federal government. Pursuant to Title 38 of the United States Code and Title 38, Paragraph 1.620 of the Code of Federal Regulations, it is the responsibility of LDVA to inter qualifying veterans in a National Veterans Cemetery or a State Veterans Cemetery if requested.

LA has 4 National Veterans Cemeteries within its borders (Alexandria, Baton Rouge, Port Hudson, and LA National), only 2 of which still have plots available (Port Hudson and LA National). LDVA has opened 3 cemeteries in LA since 2007 (Keithville, Leesville, and Slidell), with one currently under construction and scheduled to open in November 2015 (Rayville), to provide burial space for deceased veterans.

The cemetery grounds in Rayville are scheduled for completion in October 2015 and the cemetery will open for Veterans Day the following month. LDVA will allocate 2 positions to the cemetery in its initial startup phase, one for an administrative director and another for administrative support. Initial startup costs for the Rayville cemetery in FY 16 will total $152,483. Expansion of the Rayville cemetery's staff will lead to between 4 and 6 full-time employees.

All initial planning and construction is possible through Federal grants awarded by the National Cemetery Administration (NCA), which fully fund the first expenditures related to building the cemeteries. Afterwards, the cemeteries operate using a combination of SGF and Federal funds. The total means of financing for LDVA's Cemetery Program in FY 16 is $1.3 M, approximately $710,000 of that being derived from Federal funds. The LDVA Cemetery Program's total budget pays for all expenditures related to operating each cemetery, such as grounds keeping. A majority of the expenses for the Cemetery Program come from funding its 23 FTE positions. LDVA staff estimates that each cemetery costs approximately $400,000 to run annually. Including costs for the Rayville cemetery, the NCA has awarded LA a total of $27.4 M in Federal funds for cemetery construction beginning with the Keithville cemetery, which opened in 2007.

The State Veterans Cemeteries are open daily for visitation and conduct burials Monday through Friday. Services provided include opening and closing of grave or columbarium niche, provision of grave liner, memorial headstone or marker, memorial flag, military honors and a facility for committal service.

DEPT/AGY: Justice/Attorney General
ISSUE: Complex Litigation Unit (Act 796 of 2014)

As a result of the enactment of Act 796 of 2014, the Attorney General's Office (AG) will be increasing expenditures in FY 16 by $5,472,512 and increasing positions by 12. Act 796 requires express statutory authority for compensation to a special attorney or counsel representing the Attorney General, or any state agency, board or commission on a contingency fee or percentage basis. The Act also allows the AG to use settlement monies deposited into the Legal Support Fund to cover litigation expenses. At the February 2015 meeting of the Joint Legislative Committee on the Budget, a BA-7 in the amount of $2 M was approved to start the Complex Litigation Unit.

The 12 positions that will be added include 1 clerk, 1 assistant attorney general, 2 programmers, 2 cyber technicians, 3 paralegals and 3 investigators. In addition, the salaries and benefits of 2 assistant attorney generals that currently oversee pharmaceutical litigation will be paid from the fund at a cost of $95,036 ($62,500 salaries + $32,536 related benefits). The cost of all positions (14) paid from the fund would be $1,270,312 ($815,000 salaries + $455,312 related benefits).

FY 16 budget contains the follow funding:

$465,300 for travel expenses. Travel will consist of in-state and out-of-state travel for investigations, depositions, expert interviews and meetings. Travel will also involve attending court proceedings in the event a case is handled in a Federal jurisdiction. Based upon 3 cases that were recently settled, firms reported to the AG that travel expenses totaled $0.5 M. The estimated expenses for travel, litigation and outside counsel are based on expenses incurred by firms contracted by the AG's office involving pharmaceutical cases. In addition to travel expenses, supplies and operating services total approximately $284,000 ($167,000 operating services + $117,000 supplies), for a total operating cost of $749,000.

$2,856,114 for litigation ($834,664 litigation expenses and $2,021,450 for outside counsel). Litigation expenses would include, but are not limited to, expert witness fees, court costs, research and deposition costs. Expert witness fees for the last 3 pharmaceutical cases totaled $3.5 M, an average of $1.16 M per case. The cases and amounts are as follows: Avandia ($712,268), AWP ($949,183) and Risperdal ($1,827,910). The AG's office will hire outside counsel to be paid at an hourly rate for specialized legal help with the cases. Act 796 states that legal services fees shall not be incurred at a rate of more than $500 per hour. These figures are based on information received from outside counsel costs associated with pharmaceutical cases prior to Act 796 of 2014. In addition, the agency anticipates spending approximately $88,000 on IAT expenses that include risk management costs, telephone service, postage and rent.

$500,000 for acquisitions. The acquisitions will be spent on hardware and software to increase the IT infrastructure that will be used for discovery purposes. Previously the AG's office did not require the infrastructure since contracted firms had the systems in place or contracted with companies that did have the desired infrastructure. The equipment will be used to enhance the network for storage, enhance the firewall, upgrade the database, modernize video conference and conference room equipment and enhance network security.

DEPT/AGY: Culture, Recreation & Tourism (CRT)/State Parks
ISSUE: State Parks Personnel Reductions

The FY 16 budget includes a $3.4 M SGF reduction, which is identified as the annualization of the FY 15 Mid-Year Reduction Plan. According to CRT, this SGF reduction will result in the elimination of 22 job appointments, 66 When Actually Employed (WAE) positions and 15 probationary employees. In total, 106 positions will be eliminated from State Parks, which will likely result in 319 existing TO positions performing tasks such as cleaning, fee collecting, lifeguard duty, and minor repairs. Loss of these positions will result in statewide pool closures and reduction to operating hours for state parks as well as the closing of 7 historical sites throughout the state. The sites that have already been closed are Fort Pike in New Orleans, Plaquemine Lock in Plaquemine Parish, and the Marksville Indian Mound in Avoyelles Parish. Another 5 sites are being debated to decide which 4 will be closed. Those sites are Audubon, Centenary, Fort Randolf, Longfellow, and Rebel. Also, travel, supplies, training, promotions, interpretative programs, acquisitions and major repairs will be reduced.

Table 44 below provide a list of the affected parks and the classification of positions lost:

TABLE 44

Location	Parish	Probational	Job Appt	WAE	Permanent	Total EE's
Administrative Office	East Baton Rouge	3	0	2	0	5
Bayou Segnette	Jefferson	1	1	0	0	2
Bogue Chitto	Washington	0	1	3	0	4
Chemin-A-Haut	Morehouse	0	1	7	0	8
Chicot	Evangeline	1	1	8	0	10
Cypremort Point	St. Mary	0	2	0	0	2
District 3 Office	Ouachita	0	1	0	0	1
Fairview/Riverside	St. Tammany	0	0	3	0	3
Fontainebleau	St. Tammany	0	1	3	0	4
Fort Jesup	Sabine	0	0	1	0	1
Fort Pike	Orleans	2	0	0	0	2
Fort St. Jean Baptiste	Natchitoches	0	0	2	0	2
Hodges Gardens	Sabine	3	0	1	0	4
Jimmie Davis	Jackson	0	1	2	0	3

Lake Bistineau	Webster	1	0	2	0	3
Lake Bruin	Tensas	0	1	0	0	1
Lake Claiborne	Claiborne	0	1	2	0	3
Lake D'Arbonne	Union	1	1	3	0	5
Lake Fausse Pointe	Iberia	0	2	3	0	5
Marksville	Avoyelles	0	0	2	2	4
North Toledo Bend	Sabine	0	1	3	0	4
Palmetto Island	Vermillion	1	2	4	0	7
Plaquemine Lock	Iberville	0	0	1	1	2
Port Hudson	East Feliciana	0	0	2	0	2
Poverty Point Reservoir	Richland	0	3	0	0	3
Poverty Point World Heritage	West Carroll	0	0	1	0	1
Rebel	Natchitoches	0	0	1	0	1
Rosedown Plantation	West Feliciana	0	0	1	0	1
Sam Houston Jones	Calcasieu	0	2	1	0	3
South Toledo Bend	Sabine	1	0	1	0	2
St. Bernard	St. Bernard	0	0	2	0	2
Tickfaw	Livingston	1	0	5	0	6
TOTAL		**15**	**22**	**66**	**3**	**106**

Job Appointment is a non-permanent appointment of an employee to fill a position in the classified service for a limited period of time.
When Actually Employed (WAE) positions serve on a part-time intermittent basis.
Probational Appointment is the appointment of a person to serve during working test period in a position.
Permanent Appointment is a classified employee upon the successful completion of his probationary period.

DEPT/AGY: Health & Hospitals (DHH)/Medical Vendor Payments (MVP)
ISSUE: Medicaid Disallowance & Deferral

Medicaid Disallowance - Hospital Partner Advanced Lease Payments
LA Medicaid received a letter on 12/23/2014 indicating a disallowance in the amount of $311,576,411 as a result of non-allowable provider related donations related to advanced lease payments. The federal portion reimbursed by the federal government to LA Medicaid tied to this disallowance total ($311.5 M) is 189,999,295, and represents the amount the state is responsible to re-pay the federal government. The letter from the Centers for Medicare & Medicaid Services (CMS) indicates that the disallowance is "related to the cooperative endeavor agreements (CEA's) that required substantial advanced lease payments by the participating hospitals that were linked to increased Medicaid payments to the same privately owned hospitals." There are certain restrictions related to provider related donations from private entities that are then used as a state match source for the purposes of federal match. CMS determined that that increased Medicaid payments to partner hospitals were conditioned on the advanced lease payments, and considered a non bona fide provider related donation. CMS further indicates these advanced lease payments were not a usual or customary industry payment arrangement. **Note:** *The letter indicates that base lease payments built into the CEA's appear to comport with normal business practice (are not a component of the disallowance).* Information provided by the DHH indicates the state filed an appeal in February of 2015 to the federal Departmental Appeals Board, and awaits a final administrative appeals decision. The estimated timeline for such decision is not indicated.

Medicaid Deferral – Pharmacy Medicaid Expenditures
LA Medicaid received a letter on 12/18/2014 indicating a deferral of certain Medicaid Pharmacy expenditures based on a review of quarterly state spending claimed on the Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program for the quarter ending 6/30/2014 (the CMS form is submitted by DHH to CMS indicating level of expenditure for a time period). CMS is deferring $3,618,242 in total computable expenditures. The federal match associated with the total expenditures for the time period is $2,247,290. The deferral is based on Medicaid

expenditures that were paid to pharmacy providers under a state plan request that had not been approved (pending) by CMS.

Information provided by the DHH indicates the state plan request reflects a reimbursement formula change that paid pharmacy providers an additional markup payment over the approved reimbursement formula. The approved reimbursement formula to pharmacy providers is payment for Average Acquisition Costs (of the drug ingredient) plus a dispensing fee. ***Note:*** The actual deferral is anticipated to be larger than that indicated in the actual Deferral letter. The level of deferral is based on one reviewed quarter of state expenditures. Information received by DHH indicates the CMS unapproved reimbursement formula was utilized from 11/1/2012 to 9/30/2014. Based on the one-quarter deferral amount, the total deferral could be significantly higher than reflected in the deferral letter. See the comparison approved vs unapproved reimbursement formula's below when DHH reimburses for Average Acquisition Costs.

When reimbursing for Average Acquisition Costs (AAC):

Unapproved State Plan Reimbursement
Brand Drug: AAC + 1% + $10.51 Dispensing Fee
Generic Drug: AAC + 10% + $10.51 Dispensing Fee

As of 10/1/2014 (CMS Approved State Plan)
Brand & Generic Drug: AAC + $10.13 Dispensing Fee

As of 1/1/2015 (CMS Approved State Plan)
Brand & Generic Drug: AAC + $10.51 Dispensing Fee

DEPT/AGY: Department of Health & Hospitals (DHH)/Medical Vendor Payments (MVP)
ISSUE: GEMS Reductions & Cuts – Medicaid

FY 16 budget includes various efficiencies resulting in $89 M in total expenditure reductions ($33.9 M in SGF savings) in Medicaid MVP. These efficiencies are implemented as a result of a state contract with Alvarez & Marsal. On 12/19/2013, the state entered into a $4,208,757 contract with Alvarez & Marsal (A&M) for consulting services relative to efficiencies in state government. Pursuant to the statement of work in the signed contract, the contractor will address the following 6 areas:

- Financial management and operational leadership resources to augment capabilities of state agencies;
- Collaborative design of innovative strategies to improve the efficiency of government;
- Definition, design and implementation of public/private partnership models;
- Independent progress validation of implemented policy, planning and transformation initiatives;
- Advisory services to achieve implementation of key reforms; and
- Other support as needed for efficient allocation of general funds in the next budget cycle.

Listed below are the specific A&M adjustments related to Medicaid and associated **SGF** savings:

FY 16 GEMS:
($1,187,000 SGF) – ($3,137,721) total decrease in hospital payments as a result of providing additional sexual transmitted infections treatment and testing.

($137,000 SGF) – ($362,146) total decrease in payments to hospitals. This adjustment authorizes Medicaid eligibles to utilize Birthing Centers in place of a traditional hospital delivery. Information provided by the Department indicates lower costs associated with such deliveries.

($16,219,000 SGF) – ($42,873,381) total decrease in claims payments associated with implementation of an electronic visit verification system for Long Term Care Personal Care Services, Community Choices waiver services, NOW waiver services, Supports waiver services, ROW waiver services, and Long Term Personal Care Services. The DHH indicates savings is based on prior experiences in 5 other state Medicaid programs (Oklahoma, South Carolina, Florida, Illinois and Texas).

($451,000 SGF) - ($1,192,176) total decrease in capitated rate payments to acute hospitals as a result of implementing a sub acute payment rate for nursing home providers. FY 16 budget assumes a Medicaid capitated rate (PMPM) savings as a result of adding a new nursing home provider rate that is lower than the average acute care hospital rate (per diem) but higher than the current average daily nursing home rate (per diem), with the intent to transition certain individuals from an acute setting to a nursing home setting (when the Medicaid recipient requires a higher level of care than provided in a nursing home). The specific rate is not provided in the Medicaid budget documents. The FY 16 projected nursing home average daily rate is $161.95 (same as FY 15). Based on discussions with the department, the FY 16 sub acute rate is not yet determined, but anticipated to be set between $350 and $450 per day.

($341,000 SGF) – ($901,401) total decrease to implementation of a facility need review process for Pediatric Day Care Facilities (certificate of public need) and implementation of certain cost controls for such providers. FY 16 budget assumes a Medicaid claims savings resulting from limiting licenses offered to new Pediatric Day Care Facilities to operate and bill Medicaid in certain regions of the state. Licenses will be based on need in a geographic area to limit excess service capacity. The budget also assumes some savings associated with costs controls.

($196,000 SGF) – ($518,107) total decrease in Medicaid claims payments as a result of establishing an additional PACE (Program of All Inclusive Care for the Elderly) facility. The PACE payments are projected to be less than payments for Nursing Facility Care.

($11,392,000 SGF) – ($30,113,666) total decrease in Medicaid payments as a result of reducing improper payments in the Medicaid program.

($462,000 SGF) – ($1,221,253) total decrease in Medicaid claims payments in nursing facilities as a result of transitioning certain age related and developmentally disabled from nursing facilities to community based services.

($1,041,000 SGF) – ($2,751,784) total decrease in Medicaid capitated rate payments as a result of consolidating non-emergency transportation services into a single contract.

($1,491,000 SGF) – ($3,941,316) total decrease in Medicaid payments resulting from implementation of Disease Management.

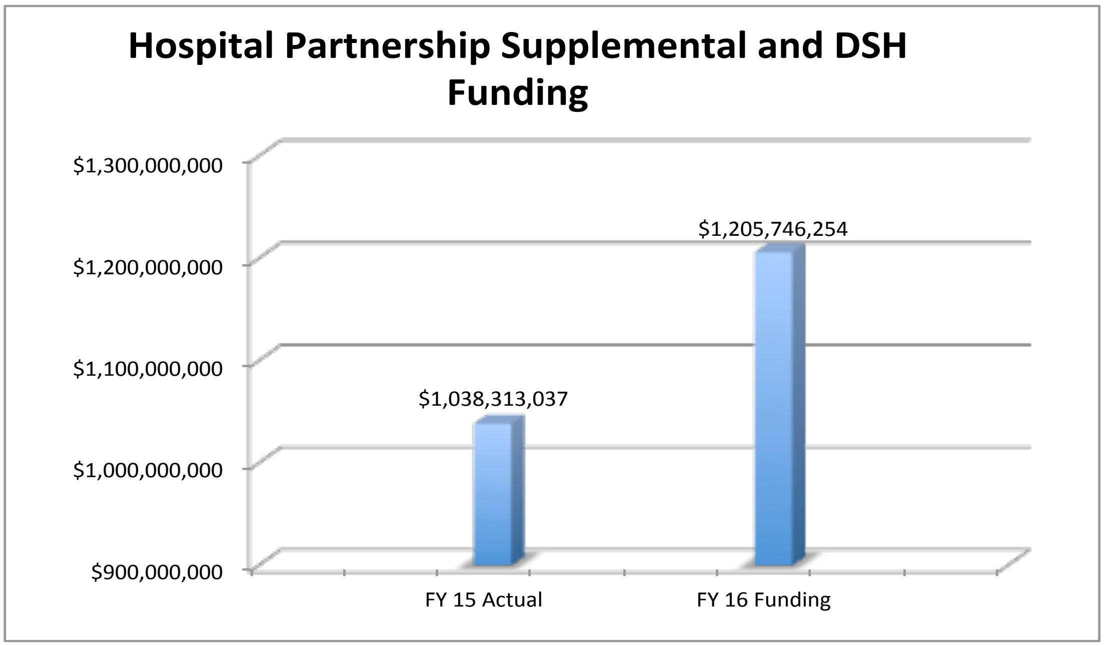
($1,005,000 SGF) – ($2,656,622) total decrease in Pharmacy payments through implementation of pharmacy pricing changes.

DEPT/AGY: Health & Hospitals (DHH)
ISSUE: LSU Public Private Partnership Payments

FY 16 budget contains approximately $166 M in additional UPL and UCC payments for public private partnership projected growth. Total base supplemental funding (exclusive of Title 19 Medicaid claims payments) is $1,205,746,254. Of the $166 M in projected growth, approximately $86 M in SGF match is contingent upon revenue being available. ***Note:*** *The Revenue Estimating Conference (REC) recognized this supplementary funding on 8/14/2015.*

Partnership payments are comprised of Medicaid Title 19 claims payments, Disproportionate Share Hospital (DSH) payments for uncompensated care costs and Medicaid shortfall, and Medicaid Upper Payment Limit (UPL) supplemental Medicaid payments. The UPL defines a payment level a state can pay certain Medicaid providers. Specifically, it represents a maximum aggregate payment a state can pay to a provider class. These payments to a provider type are above what a state is paying for services to that provider class through its Medicaid provider rates. ***Note:*** *Total Medicaid claims payments are not reflected in the total base funding number referenced above as a portion of Title 19 claims payments are a component of a larger private hospital payment category. The partnerships are not only reimbursed in fee for service legacy Medicaid, but receive some payments for hospital eligible services from the Bayou Health plans.* Graph 6 below reflects FY 15 partnership payment actuals and 16 partnership allocations for UCC and UPL payments.

GRAPH 6



DEPT/AGY: Education
ISSUE: Early Childhood Education Programs

Act 3 of 2012 required BESE to create an early childhood care and education network to manage and oversee all publicly funded programs that serve children from birth to age 5, and to align and raise standards across all programs including early learning centers, the Cecil J. Picard LA 4 Early Childhood Program, the Child Care Development Fund Block Grant (CCDF) (Child Care Assistance Program), Early Head Start and Head Start. Act 898 of 2014 continued the implementation through the transfer of the CCDF Lead Agency Status from DCSF to the Department of Education (DOE) effective 7/1/2015.

Pursuant to Cooperative Endeavor Agreements between DCFS and DOE providing for the transition, the DOE has begun to promulgate rules for the administration and oversight of child care and early learning centers, including licensing regulations, minimum educational standards, training and certification requirements for staff as well as a transition from the current Quality Start rating system to a letter grade rating system. Additional rules in development include the development of Early Childhood Networks responsible for the implementation of a coordinated enrollment system at the local level and the creation of an accountability system to evaluate the performance of publicly funded sites and networks.

LA 4 Program

The Cecil J. Picard LA 4 Early Childhood Program is the primary preschool program in the state, serving approximately 16,300 children. It provides up to 10 hours of early childhood education and before and after activities daily to 4-year-olds from disadvantaged families. The Nonpublic Schools Early Childhood Development Program (NCSED) provides low-income families the opportunity to attend state-approved private preschools and childcare centers and serves approximately 1,500 preschool children annually. Current funding is $4,580 per child.

For FY 16, the LA 4 Program is funded at $76.9 M ($9.4 M SGF and $67.5 M TANF) and the NCSED is funded at $7.3 M (SGF) for total LA 4 Program funding of $84.3 M. Total funding remains at a standstill level.

Child Care Assistance Program

The Child Care Assistance Program (CCAP) helps low-income families pay for child care while working or attending school or training. Monthly payments are based on the number of hours the parents work or attend school or training, as well as the amount charged by the childcare provider, family size and household income. Parents can select any Class A (now Type III) childcare center, school-based before and after school program, licensed childcare center determined by the Department of Defense, registered Family Child Day Care Home, or In-home provider active in the CCAP provider directory. The average per child funding amount is between $4,375 and $4,625.

For FY 16, DOE will be the recipient of the CCDF funds direct for the federal fiscal year beginning October 1st; for the period July 1st through September 30th DCFS will continue to receive CCDF funds and will transfer them to DOE as necessary. Total CCDF funding for DOE is $80.3 M ($55.7 M IAT and $24.3 M Federal Funds and 300,000 SGR).

Funding Model

HCR 61 of 2014 urged and requested BESE to consult with the Early Childhood Advisory Council to develop a statewide model for the equitable funding and distribution of public funds for early childhood care and education for children aged birth to 5 and to submit recommendations to the Legislature 60 days prior to the 2015 Legislative Session. The funding model working group recommendations focused on the following 3 components with a combined funding request of $80 M for full implementation.

1) Upgrade Quality by increasing per child funding from $4,580 to $5,185 for the current LA 4 Program/NSECD enrollment of 17,827 for a total cost of $11 M.

2) Create Equity by increasing per child funding for 12,413 infants to 4 year olds currently in the Child Care Assistance Program for a total of $63 M. Proposed per child increases are:

   a. from $2,588 to $6,500 for infants (1,467)
   b. from $2,656 to $6,500 for 1 year olds (2,747)
   c. from $2,662 to $6,500 for 2 year olds (3,272)
   d. from 2,442 to $5,185 for 3 year olds (3,040)
   e. from $2,180 to $5,185 for 4 year olds (1,886)

3) Increase Access by increasing the number of at risk 4 year olds to include an additional

5,012 children currently not being served (at $5,185 each) for a total cost of $26 M.

Act 16 of 2015 does not contain funding for these recommendations.

HCR 174 of 2015 requests that BESE, in consultation with stakeholders, identify sources of state and federal funds available in LA for early childhood care and education, as well as additional potential funding sources used by other states for this purpose, and submit a written report to the House and Senate Education committees by 1/15/2016. The report shall include a proposal of specific funding mechanisms and a corresponding strategy for implementation of the funding model developed in response to HCR 61 of 2014.

Section VI

OTHER MISCELLANEOUS INFORMATION & TABLES

Executive Department
Governor's Office of Elderly Affairs (GOEA)
Parish Councils on Aging & Senior Citizens Centers

The FY 15 budget included an additional $7.7 M in funds for the Parish Councils on Aging (PCOA) throughout LA with funding totaling $10.6 M. This $7.7 M in additional funds for PCOAs is not included in the FY 16 budget (non-recurred), leaving a total appropriation of $3.48 M for FY 16 (See Note).

Of the $7.7 M in additional resources, $5 M of SGF was included in the FY 15 budget for PCOAs, with the GOEA distributing the $5 M increase equally among all 64 parishes. Act 55 of 2014, the Supplemental Appropriations Bill, increased GOEA funding for the purpose of disbursing additional monies to PCOAs in FY 15 as well. The Supplemental Appropriations Bill funds totaled $2.7 M ($1 M SGF, $1.7 M from the statutorily dedicated Overcollections Fund), with GOEA disbursing the funds equally among the 64 parishes. This funding was also non-recurred for FY 16. As a result of the total $7.7 M being non-recurred in the FY 16 budget, each PCOA will lose a total of $120,313 in funding from FY 15 to FY 16 based on FY 16 funding levels.

Act 735 of 1979 created a state formula to disburse SGF to support the operation of the PCOAs. Act 344 of 2007 changed the PCOA formula and set the minimum per parish funding amount at $37,500 and the maximum level of $100,000. These funds are discretionary and can be used for administrative costs or services. For illustrative purposes, the Table below represents the total funding of each PCOA for FY 16 using the formula set forth in LA RS 46:1606.

In addition to funding the PCOAs, GOEA also received an additional $1,521,928 beginning in FY 14 to fund senior citizens centers (SCC) throughout LA, raising the appropriation for senior centers from $4.8 M to $6.3 M. The additional $1.5 M consists of SGF entirely and was built into the FY 15 budget. These funds remain in the FY 16 budget. The total appropriation for each senior center statewide is depicted below.

Note: *The GOEA's program for Parish Councils on Aging acts as a pass-through for local PCOAs to receive funds appropriated by the Legislature. In FY 16, the appropriation for PCOAs is $3,438,372. All appropriated funds are passed through to local PCOAs except for $16,026, which is used to fund an annual training hosted by the GOEA for Parish Councils on Aging in accordance with LA R.S. 46:1606(D)(2). In addition, 2 legislative amendments totaling $510,454 are specific to the New Orleans Parish Council on Aging. Subtracting the $510,454 for the New Orleans Council on Aging and the $16,026 for the GOEA's annual training, the total appropriation spread among PCOAs statewide is $2,911,892.*

Parish Council on Aging	SGF (PCOAs)	SCC Funds	Total Funding
Acadia Council on Aging	$37,500	$77,244	$114,744
Allen Council on Aging	$37,500	$44,450	$81,950
Ascension Council on Aging	$37,500	$95,416	$132,916
Assumption Council on Aging	$37,500	$43,740	$81,240
Avoyelles Council on Aging	$37,500	$63,869	$101,369
Beauregard Council on Aging	$37,500	$54,644	$92,144
Bienville Council on Aging	$37,500	$38,684	$76,184
Bossier Council on Aging	$49,725	$123,403	$173,128
Caddo Council on Aging	$100,000	$272,743	$372,743
Calcasieu Council on Aging	$86,255	$199,093	$285,348
Caldwell Council on Aging	$37,500	$35,913	$73,413
Cameron Council on Aging	$37,500	$35,913	$73,413
Catahoula Council on Aging	$37,500	$35,789	$73,289
Claiborne Council on Aging	$37,500	$40,005	$77,505

Parish Council on Aging	**SGF (PCOAs)**	**SCC Funds**	**Total Funding**
Concordia Council on Aging	$37,500	$42,062	$79,562
DeSoto Council on Aging	$37,500	$69,787	$107,287
East Baton Rouge Council on Aging	$100,000	$442,159	$542,159
East Carroll Council on Aging	$37,500	$35,913	$73,413
East Feliciana Council on Aging	$37,500	$40,927	$78,427
Evangeline Council on Aging	$37,500	$52,206	$89,706
Franklin Council on Aging	$37,500	$43,890	$81,390
Grant Council on Aging	$37,500	$44,062	$81,562
Iberia Council on Aging	$37,500	$85,703	$123,203
Iberville Council on Aging	$37,500	$50,360	$87,860
Jackson Council on Aging	$37,500	$39,824	$77,324
Jefferson Council on Aging	$100,000	$679,138	$779,138
Jefferson Davis Council on Aging	$37,500	$52,883	$90,383
Lafayette Council on Aging	$82,825	$191,986	$274,811
Lafourche Council on Aging	$42,393	$107,896	$150,289
LaSalle Council on Aging	$37,500	$36,098	$73,598
Lincoln Council on Aging	$37,500	$58,689	$96,189
Livingston Council on Aging	$47,535	$118,756	$166,291
Madison Voluntary Council on Aging	$37,500	$35,913	$73,413
Morehouse Council on Aging	$37,500	$51,479	$88,979
Natchitoches Council on Aging	$37,500	$61,779	$99,279
New Orleans Council on Aging	*$610,454*	*$758,131*	*$1,368,585*
Ouachita Council on Aging	$66,415	$231,090	$297,505
Plaquemines Council on Aging	$37,500	$38,488	$75,988
Pointe Coupee Council on Aging	$37,500	$46,755	$84,255
Rapides Council on Aging	$62,935	$ -	$62,935
Rapides Senior Citizens Center	$ -	$150,631	$150,631
Red River Council on Aging	$37,500	$35,913	$73,413
Richland Voluntary Council on Aging	$37,500	$41,704	$79,204
Sabine Council on Aging	$37,500	$50,536	$88,036
St. Bernard Council on Aging	$37,500	$44,782	$82,282
St. Charles Council on Aging	$37,500	$60,715	$98,215
St. Helena Council on Aging	$37,500	$35,913	$73,413
St. James Area Agency on Aging	$37,500	$41,419	$78,919
St. John Council on Aging	$37,500	$57,125	$94,625
St. Landry Council on Aging	$40,083	$103,424	$143,507
St. Martin Council on Aging	$37,500	$65,833	$103,333
St. Mary Council on Aging	$37,500	$72,328	$109,828
St. Tammany Council on Aging	$100,000	$247,583	$347,583
Tangipahoa Voluntary Council on Aging	$50,728	$125,480	$176,208
Tensas Council on Aging	$37,500	$35,913	$73,413
Terrebonne Council on Aging	$45,498	$114,644	$160,142
Union Council on Aging	$37,500	$46,142	$83,642
Vermilion Council on Aging	$37,500	$74,587	$112,087
Vernon Council on Aging	$37,500	$57,177	$94,677
Washington Council on Aging	$37,500	$71,018	$108,518
Webster Council on Aging	$37,500	$68,678	$106,178
West Baton Rouge Council on Aging	$37,500	$40,073	$77,573
West Carroll Council on Aging	$37,500	$35,102	$72,602
West Feliciana Council on Aging	$37,500	$35,913	$73,413
Winn Parish Council on Aging	$37,500	$40,150	$77,650
FY 16 TOTAL FUNDING	$3,422,346	$6,329,631	$9,751,977
FY 15 TOTAL FUNDING	$10,627,918	$6,329,631	$16,957,549
DIFFERENCE	($7,205,572)	$0	($7,205,572)

Department of Children & Family Services (DCFS)
Temporary Assistance for Needy Families (TANF)

For FY 16, Act 16 contains TANF funding of $147.5 M. TANF funding is allocated between 3 areas: Core Welfare, Child Welfare, and Initiatives. The table below reflects funding in TANF Initiatives of $90.2 M, which is an increase of $25.7 M from FY 15.

	FY 15	FY 16	DIFFERENCE
CORE WELFARE			
FITAP/KCSP	$22,962,358	$20,961,579	($2,000,779)
STEP	$5,250,000	$5,250,000	$0
Modernization	$1,350,000	$500,000	($850,000)
Administration	$12,000,000	$12,000,000	$0
CHILD WELFARE			
CPI/FS	$27,369,178	$12,267,868	($15,101,310)
Emergency Assistance	$14,171,768	$6,366,599	($7,805,169)
TANF INITIATIVES			
Literacy:			
Jobs for America's Graduates (JAG)	$2,950,000	$2,655,000	($295,000)
LA 4	$39,656,588	$67,492,803	$27,836,215
Family Stability:			
CASA	$4,436,500	$3,992,850	($443,650)
Drug Courts	$6,000,000	$5,400,000	($600,000)
Family Violence	$2,350,000	$2,350,000	$0
Homeless	$637,500	$637,500	$0
Nurse Family Partnership	$3,196,750	$2,877,075	($319,675)
Substance Abuse	$3,059,458	$2,753,512	($305,946)
Abortion Alternatives	$1,260,000	$1,260,000	$0
Community Supervisor (OJJ)	$900,000	$810,000	($90,000)
Fatherhood Initiative	$49,900	$0	($49,900)
TOTALS	**$147,600,000**	**$147,574,786**	**($25,214)**
SUMMARY			
CORE WELFARE	$41,562,358	$38,711,579	($2,850,779)
CHILD WELFARE	$41,540,946	$18,634,467	($22,906,479)
TANF INITIATIVES	$64,496,696	$90,228,740	$25,732,044
TOTALS	**$147,600,000**	**$147,574,786**	**($25,214)**

TANF and the LA 4 Program

TANF funds will be used as a means of financing substitution with SGF, resulting in $27.8 M of SGF savings within the Department of Education. Of the $27.8 M savings, $6.5 M will be utilized within DCFS as state match to implement a Child Welfare Targeted Case Management (CW-TCM) system. The Table on the next page reflects a neutral funding impact to the LA 4 Program.

Department of Education
LA 4

	FY 15	FY 16	Difference
SGF	$37,314,909	$9,414,944	($27,899,965)
TANF	$39,656,588	$67,556,553	$27,899,965
		$76,971,497	**$0**

DCFS will use CW-TCM to maintain critical child welfare services that were previously funded by TANF and other federal funds. The $22.9 M reduction in TANF funds (see TANF table) for Child Welfare will be offset with Federal Title 19 Medicaid funds generated by CW-TCM. CW-TCM leverages Medicaid funds that require a smaller SGF match than other Federal funds. Therefore, the department has reduced TANF funding in Child Welfare.

Louisiana Education Quality Trust Fund - 8(g): 1986-87 to 2014-2015

Beginning 1986-87 Fund Balance - $540,699,504 with Annual Interest and Royalty Deposits

Permanent Fund:	**1997-98**	**1998-99**	**1999-2000**	**2000-2001**	**2001-2002**	**2002-2003**	**2003-2004**	**2004-2005**	**2005-2006**
Cash Value	$728,166,189	$762,108,629	$799,726,036	$822,498,152	$841,538,930	$852,195,675	$868,402,048	$891,805,723	$916,081,258
Investment Income	$27,795,972	$33,409,785	$18,104,819	$10,001,192	$5,723,829	$11,519,457	$14,372,777	$15,307,935	$12,877,985
Royalties Income	$6,146,468	$4,207,622	$4,667,297	$9,039,586	$4,932,916	$4,686,916	$9,030,898	$8,967,600	$7,336,290
Total	$762,108,629	$799,726,036	$822,498,152	$841,538,930	$852,195,675	$868,402,048	$891,805,723	$916,081,258	$936,295,533
Permanent Fund:									
Market Value	**$817,056,699**	**$817,998,820**	**$823,520,329**	**$831,338,021**	**$812,737,083**	**$877,000,364**	**$925,090,380**	**$975,661,638**	**$958,642,904**
Support Fund:									
Investment Income	$39,941,397	$40,406,672	$43,836,613	$40,992,264	$36,463,986	$37,779,199	$37,606,959	$41,587,080	$42,233,206
Royalties Income	$19,814,592	$18,439,406	$12,622,864	$14,001,891	$14,798,746	$14,060,747	$27,092,693	$26,902,801	$21,401,616
Total	$59,755,989	$58,846,078	$56,459,477	$54,994,155	$51,262,732	$51,839,946	$64,699,652	$68,489,881	$63,634,822

A History of the Support Fund and Permanent Fund Income in Millions of Dollars

	1997-98	**1998-99**	**1999-2000**	**2000-2001**	**2001-2002**	**2002-2003**	**2003-2004**	**2004-2005**	**2005-2006**
Support Fund	$59.8	$58.8	$56.5	$55.0	$51.3	$51.8	$64.7	$68.5	$63.6
Permanent Fund	$762.1	$799.7	$822.5	$841.5	$852.2	$868.4	$891.8	$916.1	$936.3

Permanent Fund:	**2006-2007**	**2007-2008**	**2008-2009**	**2009-2010**	**2010-2011**	**2011-2012**	**2012-2013**	**2013-2014**	**2014-2015**	Cumulative Growth
Cash Value	$936,295,533	$956,625,141	$977,990,329	$1,000,182,756	$1,014,497,848	$1,031,048,104	$1,051,147,849	$1,101,101,724	$1,155,638,781	Permanent Fund
Investment Income	$13,433,082	$13,110,162	$12,687,191	$9,060,555	$11,131,777	$14,711,773	$43,963,840	$49,377,173	$9,937,744	$419,592,563
Royalties Income	$6,896,526	$8,255,026	$9,505,235	$5,254,537	$5,418,479	$5,387,972	$5,721,149	$5,159,884	$3,915,553	$134,241,071
Total	$956,625,141	$977,990,329	$1,000,182,755	$1,014,497,848	$1,031,048,104	$1,051,147,849	$1,100,832,838	$1,155,638,781	$1,169,492,078	$553,833,634
Permanent Fund:										
Market Value	**$1,021,316,556**	**$968,122,567**	**$872,736,756**	**$997,888,851**	**$1,082,169,386**	**$1,129,938,382**	**$1,255,509,896**	**$1,264,482,559**	**$1,283,781,969**	
										Cumulative Growth
Support Fund:										Support Fund
Investment Income	$44,460,712	$42,952,072	$40,358,067	$34,670,951	$30,654,199	$31,075,809	$40,675,700	$43,333,954	$30,597,217	$978,581,297
Royalties Income	$20,689,576	$24,765,079	$28,515,706	$15,763,612	$16,255,436	$16,163,917	$17,163,448	$15,479,653	$11,596,492	$399,235,046
Total	$65,150,288	$67,717,151	$68,873,773	$50,434,563	$46,909,635	$47,239,726	$57,839,148	$58,813,607	$42,193,709	$1,377,816,343

A History of the Support Fund and Permanent Fund Income in Millions of Dollars

	2006-2007	**2007-2008**	**2008-2009**	**2009-2010**	**2010-2011**	**2011-2012**	**2012-2013**	**2013-2014**	**2014-2015**
Support Fund	$65.2	$67.7	$68.9	$50.4	$46.9	$47.2	$57.8	$58.8	$42.2
Permanent Fund	$956.6	$978.0	$1,000.2	$1,014.5	$1,031.0	$1,051.1	$1,100.8	$1,155.6	$1,169.5

Constitutional Uses of Support Fund Dollars:

Board of Regents: 1) The carefully defined research efforts of public and private universities in Louisiana. 2) The endowment of chairs for eminent scholars. 3) The enhancement of the quality of academic, research or agricultural departments or units within a university. These funds shall not be used for athletic purposes or programs. 4) The recruitment of superior graduate students.

Board of Elementary & Secondary Education: 1) To provide compensation to city or parish school board or postsecondary vocational-technical professional instructional employees. 2) To insure an adequate supply of superior textbooks, library books, equipment and other instructional materials. 3) To fund exemplary programs in elementary, secondary or vocational-technical schools designed to improve elementary, secondary or vocational-technical student academic achievement or vocational-technical skill. 4) To fund carefully defined research efforts, including pilot programs, designed to improve elementary and secondary student achievement. 5) To fund school remediation programs and preschool programs. 6) To fund the teaching of foreign languages in elementary and secondary schools. 7) To fund an adequate supply of teachers by providing scholarships or stipends to prospective teachers in academic or vocational-technical areas where there is a critical teacher shortage.

Notes: The cumulative growth figures for both the Permanent and Support Fund include balances from 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94 and 1994-95 (history for these years is not shown above). The Cash Value for 1988-89 through 2014-15 equal the Permanent Fund balance at 6/30 of the prior fiscal year.

Taylor Opportunity Program for Students (TOPS)
TOPS Awards for Public and Private Colleges & Universities

	FY 13	FY 14	FY 15	Projected FY 16	Projected FY 17*
Number of Awards	47,187	48,649	49,283	49,776	50,199
Total Amount of Awards (millions)	$191.19	$221.28	$250.89	$283.67	$285.20
Average Award Amount	$4,052	$4,549	$5,091	$5,699	$5,681

FY 15 TOPS Awards for Public Colleges & Universities

	# of Awards	*# of Awards Statewide*	*Amount per Award*	*Total Amount of Awards*	*% of Total Amount of Awards Statewide*
LSU - Alexandria	537	1.2%	$4,111	$2,207,755	0.9%
LSU - Baton Rouge	14,179	30.6%	$6,434	$91,232,356	38.9%
LSU - Eunice	481	1.0%	$2,298	$1,105,273	0.5%
LSU - Shreveport	733	1.6%	$4,521	$3,313,895	1.4%
LSU HSC - New Orleans	316	0.7%	$4,164	$1,315,815	0.6%
LSU HSC - Shreveport	21	0.0%	$4,397	$92,340	0.0%
LSU System Total	**16,267**	**35.1%**	**$6,102**	**$99,267,434**	**42.3%**
SU - Baton Rouge	584	1.3%	$4,062	$2,372,015	1.0%
SU - New Orleans	19	0.0%	$3,509	$66,668	0.0%
SU - Shreveport	4	0.0%	$23,085	$92,340	0.0%
SU System Total	**607**	**1.3%**	**$4,170**	**$2,531,023**	**1.1%**
Grambling	161	0.3%	$4,601	$740,755	0.3%
LA Tech	3,699	8.0%	$5,342	$19,760,840	8.4%
McNeese	2,458	5.3%	$4,477	$11,005,510	4.7%
Nicholls	2,231	4.8%	$4,678	$10,437,286	4.5%
Northwestern	2,066	4.5%	$4,760	$9,833,162	4.2%
Southeastern	4,416	9.5%	$4,568	$20,170,958	8.6%
UL Lafayette	6,343	13.7%	$4,768	$30,246,189	12.9%
UL Monroe	2,435	5.3%	$4,986	$12,141,988	5.2%
UNO	1,809	3.9%	$5,172	$9,355,389	4.0%
UL System Total	**25,618**	**55.3%**	**$4,828**	**$123,692,077**	**52.8%**
Baton Rouge CC	659	1.4%	$2,293	$1,510,771	0.6%
Bossier Parish CC	548	1.2%	$2,534	$1,388,844	0.6%
Central LA Technical CC	71	0.2%	$2,249	$159,699	0.1%
Delgado CC	681	1.5%	$2,322	$1,581,534	0.7%
L. E. Fletcher CCC	259	0.6%	$2,472	$640,121	0.3%
LA Delta CC	235	0.5%	$2,316	$544,262	0.2%
Northwest LA Technical College	81	0.2%	$1,716	$139,024	0.1%
Northshore Technical CC	105	0.2%	$2,158	$226,601	0.1%
Nunez CC	93	0.2%	$2,336	$217,207	0.1%
River Parishes CC	167	0.4%	$2,599	$434,007	0.2%
South Central LA Technical College	122	0.3%	$1,698	$207,188	0.1%
South LA CC	368	0.8%	$2,420	$890,516	0.4%
SOWELA Technical CC	436	0.9%	$2,392	$1,043,041	0.4%
LCTCS Total	**3,825**	**8.3%**	**$2,348**	**$8,982,815**	**3.8%**
Statewide Total	**46,317**	**100.0%**	**$5,062**	**$234,473,349**	**100.0%**

Note: Includes LA approved proprietary and cosmetology schools and institutions that are a part of the LA Association of Independent Colleges & Universities.

* FY 17 totals do not include LA Grad Act tuition increases as existing agreements expire in 2016. It is unknown to what extent institutions will enter into renewal agreements for a subseqeuent 6-year term.

Source: LA Office of Student Financial Assistance

Higher Education Enrollment

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Increase 2013 to 2014	% Increase 2013 to 2014
Acadiana Technical College *	3,842	N/A	N/A	N/A	N/A	N/A
Baton Rouge CC	8,275	7,945	10,266	10,427	161	1.6%
Bossier Parish CC	7,077	7,917	8,302	8,580	278	3.3%
Capital Area Technical College *	4,260	3,890	N/A	N/A	N/A	N/A
Central LA Technical College	2,435	2,283	2,127	2,035	(92)	-4.3%
Delgado CC	20,436	18,093	18,698	17,152	(1,546)	-8.3%
LA Delta CC	2,954	4,123	3,874	3,962	88	2.3%
L. E. Fletcher Technical CC	2,486	2,502	2,811	2,425	(386)	-13.7%
Northwest LA Technical College	3,071	2,626	2,602	3,438	836	32.1%
Northeast LA Technical College *	1,536	N/A	N/A	N/A	N/A	N/A
Northshore Technical CC	3,353	3,111	3,151	3,672	521	16.5%
Nunez CC	2,421	2,269	2,496	2,588	92	3.7%
River Parishes CC	2,673	3,566	3,238	1,992	(1,246)	-38.5%
South Central LA Technical College	3,531	2,885	2,439	4,564	2,125	87.1%
South Louisiana CC	3,897	7,458	7,326	6,325	(1,001)	-13.7%
Sowela Technical CC	3,054	2,741	3,226	3,411	185	5.7%
LCTCS System Total	**75,301**	**71,409**	**70,556**	**70,571**	**15**	**0.0%**
LSU - Alexandria	2,612	2,426	2,229	2,702	473	21.2%
LSU - Baton Rouge	28,985	29,549	29,907	30,527	620	2.1%
LSU - Eunice	2,982	3,075	2,673	2,738	65	2.4%
LSU - Shreveport	4,562	4,535	4,109	4,186	77	1.9%
LSU HSC - New Orleans	2,777	2,788	2,829	2,828	(1)	0.0%
LSU HSC - Shreveport	867	888	856	870	14	1.6%
Paul M. Hebert Law Center	737	681	621	598	(23)	-3.7%
LSU System Total	**43,522**	**43,942**	**43,224**	**44,449**	**1,225**	**2.8%**
SU - Baton Rouge	6,904	6,611	6,730	6,188	(542)	-8.1%
SU - New Orleans	3,245	3,046	2,989	2,674	(315)	-10.5%
SU - Shreveport	2,820	2,931	3,016	2,936	(80)	-2.7%
SU Law Center	706	755	682	635	(47)	-6.9%
SU System Total	**13,675**	**13,343**	**13,417**	**12,433**	**(984)**	**-7.3%**
Grambling	5,207	5,277	5,071	4,504	(567)	-11.2%
LA Tech	11,518	11,304	10,962	11,225	263	2.4%
McNeese	8,791	8,579	8,348	8,237	(111)	-1.3%
Nicholls	6,802	6,621	6,560	6,314	(246)	-3.8%
Northwestern	9,191	9,447	8,944	9,002	58	0.6%
Southeastern	15,414	15,602	14,949	14,498	(451)	-3.0%
UL Lafayette	16,885	16,740	16,646	17,195	549	3.3%
UL Monroe	8,626	8,548	8,613	8,461	(152)	-1.8%
UNO	10,903	10,071	9,323	9,234	(89)	-1.0%
UL System Total	**93,337**	**92,189**	**89,416**	**88,670**	**(746)**	**-0.8%**
Statewide Total	**225,835**	**220,883**	**216,613**	**216,123**	**(490)**	**-0.2%**

* Counts for Acadiana Technical College were included in the South LA CC in 2012. Counts for Northeast LA Technical CC were included in LA Delta CC in 2012. Counts for Capital Area Technical College were included in Baton Rouge CC

Higher Education Funding by Board and Institution
(FY 15 Budgeted compared to FY 16 Appropriated)

	FY 15 6/30/15 SGF	FY 15 6/30/15 Total	FY 16 Appropriated SGF	FY 16 Appropriated Total	Difference FY 15 to FY 16 SGF	% Diff. SGF	Difference FY 15 to FY 16 Total	% Diff. Total
LSU Board*	$3,486,750	$3,486,750	$0	$0	($3,486,750)	-100%	($3,486,750)	-100%
LSU - Alexandria	$5,096,001	$16,829,013	$2,814,333	$17,344,772	($2,281,668)	-45%	$515,759	3%
LSU - Baton Rouge	$106,930,756	$475,162,756	$62,738,609	$528,938,483	($44,192,147)	-41%	$53,775,727	11%
LSU - Eunice	$4,560,182	$12,743,553	$2,511,437	$12,373,762	($2,048,745)	-45%	($369,791)	-3%
LSU - Shreveport	$7,030,978	$30,928,547	$3,834,660	$32,073,446	($3,196,318)	-45%	$1,144,899	4%
LSU HSC - New Orleans	$69,277,530	$170,941,773	$39,816,127	$150,699,772	($29,461,403)	-43%	($20,242,001)	-12%
LSU HSC - Shreveport	$36,418,254	$134,893,486	$47,824,707	$117,782,487	$11,406,453	31%	($17,110,999)	-13%
LSU Agricultural Center	$64,200,388	$89,245,461	$36,226,610	$91,238,499	($27,973,778)	-44%	$1,993,038	2%
Paul M. Hebert Law Center*	$4,719,016	$24,738,954	$0	$0	($4,719,016)	-100%	($24,738,954)	-100%
Pennington Biomedical	$12,226,396	$13,147,600	$8,889,163	$17,166,345	($3,337,233)	-27%	$4,018,745	31%
LSU System Total	**$313,946,251**	**$972,117,893**	**$204,655,646**	**$967,617,566**	**($109,290,605)**	**-35%**	**($4,500,327)**	**0%**
SU Board	$3,476,794	$3,476,794	$5,113,387	$7,738,195	$1,636,593	47%	$4,261,401	123%
SU - Baton Rouge	$22,683,569	$74,268,832	$10,401,070	$71,668,257	($12,282,499)	-54%	($2,600,575)	-4%
SU - New Orleans	$6,340,850	$18,345,348	$3,156,030	$17,771,526	($3,184,820)	-50%	($573,822)	-3%
SU - Shreveport	$5,714,560	$13,262,567	$2,374,342	$12,185,192	($3,340,218)	-58%	($1,077,375)	-8%
SU Agricultural Center	$2,360,193	$7,821,995	$1,292,483	$7,821,255	($1,067,710)	-45%	($740)	0%
SU Law Center	$5,282,427	$13,699,187	$2,150,851	$12,344,751	($3,131,576)	-59%	($1,354,436)	-10%
SU System Total	**$45,858,393**	**$130,874,723**	**$24,488,163**	**$129,529,176**	**($21,370,230)**	**-47%**	**($1,345,547)**	**-1%**
UL Board	$1,033,268	$3,347,268	$566,204	$3,447,268	($467,064)	-45%	$100,000	3%
Grambling	$13,484,331	$45,335,747	$7,901,442	$48,485,704	($5,582,889)	-41%	$3,149,957	7%
LA Tech	$26,711,053	$104,513,776	$14,564,693	$103,769,768	($12,146,360)	-45%	($744,008)	-1%
McNeese	$17,150,879	$61,594,089	$9,351,750	$62,576,477	($7,799,129)	-45%	$982,388	2%
Nicholls	$14,574,135	$54,316,771	$7,946,202	$54,743,661	($6,627,933)	-45%	$426,890	1%
Northwestern	$19,998,358	$71,176,371	$10,907,099	$71,101,070	($9,091,259)	-45%	($75,301)	0%
Southeastern	$28,851,253	$111,729,604	$15,732,672	$115,654,620	($13,118,581)	-45%	$3,925,016	4%
UL Lafayette	$43,862,785	$140,151,311	$24,027,119	$143,584,445	($19,835,666)	-45%	$3,433,134	2%
UL Monroe	$23,821,070	$75,414,544	$12,987,015	$78,907,855	($10,834,055)	-45%	$3,493,311	5%
UNO	$28,994,984	$101,389,566	$15,803,837	$101,271,591	($13,191,147)	-45%	($117,975)	0%
UL System Total	**$218,482,116**	**$768,969,047**	**$119,788,033**	**$783,542,459**	**($85,502,936)**	**-39%**	**$14,691,387**	**2%**
LCTCS Board	$7,153,027	$17,153,027	$3,919,670	$17,153,027	($3,233,357)	-45%	$0	0%
Baton Rouge CC	$14,486,430	$41,383,255	$7,926,789	$41,446,181	($6,559,641)	-45%	$62,926	0%
Bossier Parish CC	$10,509,907	$35,563,108	$5,753,410	$35,971,925	($4,756,497)	-45%	$408,817	1%
Delgado CC	$25,459,433	$83,332,449	$13,931,792	$84,039,345	($11,527,641)	-45%	$706,896	1%
LA Delta CC	$7,815,254	$18,470,658	$4,276,450	$18,598,601	($3,538,804)	-45%	$127,943	1%
LA Technical College	$10,747,501	$18,252,737	$5,881,399	$18,634,342	($4,866,102)	-45%	$381,605	2%
LCTCS Online	$1,295,904	$1,295,904	$710,121	$1,295,904	($585,783)	-45%	$0	0%
L.E. Fletcher CC	$2,895,998	$8,747,004	$1,584,947	$8,913,313	($1,311,051)	-45%	$166,309	2%
Northshore Technical CC	$4,919,093	$10,451,710	$2,692,136	$10,618,738	($2,226,957)	-45%	$167,028	2%
Central LA Technical CC	$5,616,572	$9,905,975	$3,073,633	$9,990,105	($2,542,939)	-45%	$84,130	1%
Nunez CC	$3,306,834	$8,825,540	$1,809,843	$8,980,157	($1,496,991)	-45%	$154,617	2%
River Parishes CC	$3,268,547	$9,422,115	$1,789,062	$9,547,270	($1,479,485)	-45%	$125,155	1%
South Louisiana CC	$12,400,527	$29,095,211	$6,785,274	$29,443,847	($5,615,253)	-45%	$348,636	1%
SOWELA Technical CC	$6,351,588	$15,015,904	$3,476,676	$15,094,260	($2,874,912)	-45%	$78,356	1%
LCTCS System Total	**$116,226,615**	**$306,914,597**	**$63,611,202**	**$309,727,015**	**($52,615,413)**	**-45%**	**$2,812,418**	**1%**
LOSFA	**$191,293,794**	**$344,622,485**	**$230,960,102**	**$351,177,431**	**$39,666,308**	**21%**	**$6,554,946**	**2%**
Board of Regents	**$31,099,579**	**$90,709,604**	**$7,750,350**	**$79,965,952**	**($23,349,229)**	**-75%**	**($10,743,652)**	**-12%**
LUMCON	**$2,296,246**	**$11,846,069**	**$1,257,696**	**$11,845,552**	**($1,038,550)**	**-45%**	**($517)**	**0%**
Higher Ed Total	**$919,202,994**	**$2,626,054,418**	**$652,511,192**	**$2,633,405,151**	**($266,691,802)**	**-29%**	**$7,350,733**	**0%**
Higher Ed (w/o LOSFA)	**$727,909,200**	**$2,281,431,933**	**$421,551,090**	**$2,282,227,720**	**($306,358,110)**	**-42%**	**$795,787**	**0%**

*2016 funding is included in LSU-Baton Rouge totals as result of a merger of the Law School and the Board of Supervisors in 2015.

SELECTED MAJOR STATE AID TO LOCAL GOVERNMENTS PROJECTIONS (FY 16)

		MFP Distribution	Revenue Sharing	Supplemental Pay	Parish Road Program	Parish Severance & Royalty Dists.	Video Poker Distribution	Total Distributions
1	Acadia	$54,727,279	$1,225,121	$1,120,208	$599,209	$605,019	$1,752,147	$60,028,983
2	Allen	$29,601,742	$510,869	$505,902	$352,961	$609,822	$0	$31,581,297
3	Ascension	$98,757,997	$2,305,658	$1,863,507	$851,322	$50,233	$0	$103,828,717
4	Assumption	$23,190,762	$456,266	$379,910	$265,811	$500,690	$430,469	$25,223,908
5	Avoyelles	$32,992,229	$827,497	$772,866	$501,193	$155,176	$306,567	$35,555,528
6	Beauregard	$34,121,508	$723,218	$599,657	$490,040	$720,857	$0	$36,655,280
7	Bienville	$6,833,513	$288,455	$320,445	$271,248	$927,817	$0	$8,641,478
8	Bossier	$119,265,181	$2,400,493	$4,342,751	$977,131	$997,069	$673,436	$128,656,061
9	Caddo	$217,771,472	$4,814,469	$9,867,303	$1,515,259	$1,330,986	$2,175,982	$237,475,471
10	Calcasieu	$154,656,137	$3,812,582	$7,055,703	$1,556,920	$737,352	$3,008,548	$170,827,242
11	Caldwell	$12,503,001	$209,675	$244,187	$182,471	$172,910	$0	$13,312,244
12	Cameron	$4,103,064	$142,966	$365,299	$116,429	$2,583,442	$27,284	$7,338,483
13	Catahoula	$10,551,595	$214,936	$429,707	$176,977	$215,906	$0	$11,589,121
14	Claiborne	$10,909,289	$325,594	$169,430	$280,138	$804,830	$0	$12,489,282
15	Concordia	$21,771,235	$419,155	$853,797	$255,396	$540,914	$0	$23,840,496
16	DeSoto	$12,948,415	$566,033	$932,173	$373,610	$1,031,266	$532,061	$16,383,557
17	East Baton Rouge	$256,181,724	$8,474,785	$13,225,126	$2,322,025	$713,564	$0	$280,917,223
18	East Carroll	$7,255,298	$139,831	$143,766	$136,075	$12,563	$130,616	$7,818,149
19	East Feliciana	$11,972,497	$399,753	$194,316	$246,315	$377,134	$0	$13,190,014
20	Evangeline	$35,841,664	$677,282	$448,933	$444,411	$687,923	$0	$38,100,212
21	Franklin	$19,218,514	$422,180	$576,567	$301,128	$18,233	$0	$20,536,622
22	Grant	$22,384,307	$447,863	$288,409	$322,555	$307,145	$0	$23,750,279
23	Iberia	$77,782,171	$1,470,009	$1,688,298	$643,404	$3,536,201	$0	$85,120,083
24	Iberville	$15,172,150	$650,221	$779,669	$381,547	$610,901	$843,448	$18,437,936
25	Jackson	$10,908,615	$315,797	$285,913	$268,351	$500,082	$0	$12,278,758
26	Jefferson	$208,994,617	$8,317,687	$9,968,480	$2,126,848	$1,088,829	$4,748,733	$235,245,194
27	Jefferson Davis	$36,413,263	$618,242	$622,420	$418,410	$520,238	$504,946	$39,097,519
28	Lafayette	$114,681,493	$4,479,631	$5,655,722	$1,512,963	$317,443	$0	$126,647,253
29	Lafourche	$65,705,720	$1,952,054	$1,964,679	$845,608	$4,814,954	$2,309,183	$77,592,198
30	LaSalle	$16,736,842	$298,842	$455,598	$248,642	$925,013	$0	$18,664,937
31	Lincoln	$33,870,732	$892,090	$1,069,397	$531,563	$774,156	$0	$37,137,937
32	Livingston	$160,083,258	$2,659,909	$1,331,383	$1,032,257	$583,536	$0	$165,690,342
33	Madison	$8,226,720	$222,501	$257,035	$197,504	$27,803	$731,124	$9,662,687
34	Morehouse	$29,928,357	$531,146	$1,041,086	$367,259	$62,606	$0	$31,930,455
35	Natchitoches	$34,365,053	$759,913	$1,190,024	$539,525	$243,349	$0	$37,097,864
36	Orleans	$182,862,812	$7,006,512	$13,728,679	$2,257,169	$141	$2,387,628	$208,242,942
37	Ouachita	$170,784,329	$2,971,997	$5,404,919	$1,235,284	$157,885	$0	$180,554,414
38	Plaquemines	$11,169,746	$446,946	$1,243,904	$266,066	$10,714,008	$388,083	$24,228,753
39	Pointe Coupee	$11,977,863	$458,050	$431,004	$264,321	$694,026	$489,625	$14,314,889
40	Rapides	$133,569,954	$2,610,346	$5,077,791	$1,103,869	$476,716	$0	$142,838,677
41	Red River	$4,853,950	$174,579	$188,005	$149,749	$1,414,390	$245,978	$7,026,651
42	Richland	$17,146,855	$424,697	$466,476	$295,575	$10,269	$0	$18,343,872
43	Sabine	$26,617,880	$492,614	$381,498	$353,964	$1,155,597	$0	$29,001,553
44	St. Bernard	$40,267,741	$841,215	$1,903,730	$488,823	$957,759	$886,743	$45,346,011
45	St. Charles	$29,567,826	$1,041,983	$1,376,756	$501,606	$2,383,527	$584,461	$35,456,159
46	St. Helena	$7,817,376	$219,871	$152,908	$177,543	$462,009	$1,826,015	$10,655,722
47	St. James	$12,432,333	$435,977	$452,092	$242,018	$115,209	$1,002,121	$14,679,750
48	St. John	$28,336,572	$867,476	$1,234,972	$519,301	$27,109	$1,163,457	$32,148,887
49	St. Landry	$78,922,729	$1,635,992	$1,998,664	$781,314	$396,528	$1,501,159	$85,236,386
50	St. Martin	$46,124,620	$1,061,210	$878,089	$527,269	$610,354	$3,930,479	$53,132,021
51	St. Mary	$45,941,745	$1,083,879	$1,680,357	$469,007	$2,153,842	$1,022,508	$52,351,338
52	St. Tammany	$229,925,863	$4,867,859	$5,939,556	$1,585,005	$69,040	$0	$242,387,323
53	Tangipahoa	$112,199,000	$2,448,288	$2,318,609	$1,008,703	$137,111	$0	$118,111,711
54	Tensas	$4,379,001	$96,296	$133,283	$92,883	$156,133	$50,388	$4,907,984
55	Terrebonne	$89,122,700	$2,181,532	$2,582,223	$876,975	$4,899,304	$3,309,580	$102,972,314
56	Union	$12,304,004	$456,803	$326,717	$372,742	$704,387	$0	$14,164,653
57	Vermilion	$47,969,100	$1,172,063	$1,193,962	$574,688	$1,885,804	$0	$52,795,617
58	Vernon	$55,749,333	$1,007,317	$811,948	$546,540	$477,458	$0	$58,592,596
59	Washington	$48,980,814	$919,504	$857,652	$596,274	$137,508	$0	$51,491,752
60	Webster	$37,905,260	$812,814	$880,746	$507,364	$658,953	$1,201,234	$41,966,370
61	West Baton Rouge	$14,297,032	$482,468	$778,700	$273,443	$272,174	$2,231,860	$18,335,678
62	West Carroll	$13,396,107	$230,918	$160,332	$205,872	$6,301	$0	$13,999,530
63	West Feliciana	$9,821,610	$284,301	$260,051	$230,331	$46,881	$316,495	$10,959,669
64	Winn	$16,316,294	$293,770	$186,249	$288,797	$513,613	$0	$17,598,723
	TOTAL	**$3,551,187,863**	**$90,000,000**	**$124,039,535**	**$38,445,000**	**$59,800,000**	**$40,712,358**	**$3,904,184,756**

Notes:

1) The MFP Initial Distribution (prior to audit adjustments) is generated based on estimated student counts (as of 2/1/2015) and the previous year's local school system tax revenues. Funds for the school systems of the cities of Monroe and Bogalusa are contained in the amounts for the parishes of Ouachita and Washington, respectively. Funds for the school systems of the cities of Baker, Central, and Zachary are contained in the amount for East Baton Rouge Parish. Funds for the Recovery School District are contained in the amount for Orleans, East Baton Rouge, and Caddo parishes.

2) Revenue Sharing distribution to each parish and the city of New Orleans is allocated in Section 12 of Act 132 of 2015.

3) Supplemental Pay provides additional compensation for eligible law enforcement personnel ($500 per month), and for eligible municipal constable and justice of the peace. Funding for FY 16 is an estimation based on FY 15 distribution to each parish.

4) The Parish Road distribution is based on population and mileage as per state law (exclusive of $4.955 M for the Mass Transit Program and $3 M for the Off-System Roads & Bridges Match Program). Of the Mass Transit Program allocation, DOTD retains approximately $123,875.

5) Parish severance, royalty, and video poker distributions are based on state level estimates of the aggregate amount of severance, royalty, and video poker receipts available for distribution to locals that are allocated to each parish based on the prior year's share of these monies distributed to each parish by the state Treasury.

Capital Outlay Appropriation By Parish

Act 26 of 2015

	SGF	IAT	SGR	St. Ded.	Reappro. Cash	Federal	Revenue Bonds	CASH PORTION	Priority 1	Priority 2	Priority 3	Priority 4	Priority 5	TOTAL GO BONDS	Bonds NRP/RBP	TOTAL
Acadia									$875,000	$1,052,000			$2,625,000	$4,552,000		$4,552,000
Allen									$60,000					$60,000		$60,000
Ascension									$33,885,000	$5,995,000			$55,570,000	$95,450,000		$95,450,000
Assumption									$120,000	$100,000			$100,000	$320,000		$320,000
Avoyelles									$610,000	$200,000			$250,000	$1,060,000		$1,060,000
Beauregard									$2,950,000	$2,305,000			$7,865,000	$13,120,000		$13,120,000
Bienville									$500,000	$250,000			$125,000	$875,000		$875,000
Bossier						$65,000		$65,000	$8,360,000	$1,925,000			$27,455,000	$37,740,000		$37,805,000
Caddo									$117,228,000	$6,090,000			$40,584,000	$163,902,000		$163,902,000
Calcasieu			$7,000,000					$7,000,000	$67,670,000	$31,770,000			$229,905,000	$329,345,000		$336,345,000
Caldwell									$17,150,000	$1,325,000			$6,095,000	$24,570,000		$24,570,000
Cameron				$13,216,800				$13,216,800	$4,965,000					$4,965,000		$18,181,800
Catahoula									$3,010,000				$3,000,000	$6,010,000		$6,010,000
Claiborne									$495,000	$3,125,000			$3,751,400	$7,371,400		$7,371,400
Concordia									$11,505,000	$1,960,000			$6,000,000	$19,465,000		$19,465,000
DeSoto									$780,000				$765,000	$1,545,000		$1,545,000
E. Carroll									$3,470,000					$3,470,000		$3,470,000
E. Feliciana									$6,157,800	$1,582,246			$17,208,600	$24,948,646		$24,948,646
EBR			$124,645,000	$1,492,956	$2,261,281		$216,560,000	$344,959,237	$132,918,100	$35,250,907			$209,255,000	$377,424,007	$36,500,007	$758,883,251
Evangeline									$56,000	$275,000				$331,000		$331,000
Franklin									$2,470,000	$770,000			$1,360,000	$4,600,000		$4,600,000
Grant									$4,255,000	$1,645,000			$1,880,000	$7,780,000		$7,780,000
Iberia				$4,135,312				$4,135,312	$9,605,000	$675,000			$670,000	$10,950,000		$15,085,312
Iberville				$390,000				$390,000	$10,350,000	$230,000			$800,000	$11,380,000		$11,770,000
Jackson									$2,660,000	$685,000				$3,345,000		$3,345,000
Jefferson									$91,140,000	$29,730,192			$111,300,000	$232,170,192		$232,170,192
Jefferson Davis									$9,675,000	$250,000			$10,350,000	$20,275,000		$20,275,000
Lafayette									$49,845,700	$9,482,919			$65,650,000	$124,978,619		$124,978,619
Lafourche			$1,800,000					$1,800,000	$29,193,800	$7,880,000			$96,100,000	$133,173,800		$134,973,800
LaSalle									$615,000	$615,000				$1,230,000		$1,230,000
Lincoln			$400,000					$400,000	$28,225,900	$1,750,000			$50,519,000	$80,494,900		$80,894,900
Livingston									$13,200,000	$6,500,000			$21,050,000	$40,750,000		$40,750,000
Madison									$480,000	$750,000				$1,230,000		$1,230,000
Morehouse						$3,202,800		$3,202,800	$1,070,000	$1,250,000			$8,700,000	$11,020,000		$14,222,800
Multi				$2,600,000				$2,600,000	$63,995,000	$23,413,657			$104,185,000	$191,593,657		$194,193,657
Natchitoches				$430,800				$430,800	$18,714,600	$9,320,000			$87,610,000	$115,644,600		$116,075,400
Orleans			$2,152,000					$2,152,000	$166,783,700	$45,715,132			$177,335,000	$389,833,832		$391,985,832
Ouachita						$1,555,200		$1,555,200	$25,265,000	$12,165,000			$94,550,000	$131,980,000		$133,535,200
Plaquemines									$6,210,000	$9,825,000			$109,495,000	$125,530,000		$125,530,000
Pointe Coupee					$959,966			$959,966	$5,230,000	$2,338,999			$1,525,000	$9,093,999		$10,053,965
Rapides		$600,012						$600,012	$26,184,800	$20,897,472			$39,184,400	$86,266,672		$86,866,684
Red River									$80,000	$135,000				$215,000		$215,000
Richland									$14,584,000	$740,000			$14,580,000	$29,904,000		$29,904,000
Sabine									$5,220,000	$900,845			$4,150,000	$10,270,845		$10,270,845
St. Bernard									$45,000	$4,430,000			$16,045,000	$20,520,000		$20,520,000
St. Charles									$1,880,000	$43,203			$500,000	$2,423,203		$2,423,203
St. Helena									$1,775,000				$1,340,000	$3,115,000		$3,115,000
St. James									$3,360,000				$24,285,000	$27,645,000		$27,645,000
St. John the Baptist			$480,000					$480,000	$8,085,700	$800,000			$7,340,000	$16,225,700		$16,705,700
St. Landry									$875,000	$800,000	$800,000		$1,465,000	$3,940,000		$3,940,000
St. Martin									$2,860,000	$3,075,000			$58,780,000	$64,715,000		$64,715,000
St. Mary									$21,605,000	$1,389,425			$9,185,000	$32,179,425		$32,179,425
St. Tammany				$295,200				$295,200	$22,115,000	$9,595,000			$65,375,000	$97,085,000		$97,380,200
Statewide		$27,000,000	$20,000,000	$765,796,568	$9,519,953	$228,653,143		$1,050,969,664	$271,013,200	$66,874,835			$143,736,600	$481,624,635	$21,746,952	$1,554,341,251
Tangipahoa				$2,094,928				$2,094,928	$21,423,700	$3,075,182			$28,765,000	$53,263,882		$55,358,810
Tensas									$1,660,000	$698,808			$6,850,000	$9,208,808		$9,208,808
Terrebonne				$1,540,000				$1,540,000	$21,475,000	$530,000			$21,005,000	$43,010,000		$44,550,000
Union									$170,000	$585,000			$5,905,000	$6,660,000		$6,660,000
Vermilion				$1,920,000				$1,920,000	$2,218,900	$2,710,501			$900,000	$5,829,401		$7,749,401
Vernon									$22,345,000	$5,370,000			$11,115,000	$38,830,000		$38,830,000
W. Carroll									$405,000	$2,600,000				$3,005,000		$3,005,000
W. Feliciana									$12,555,000	$4,955,000			$15,400,000	$32,910,000		$32,910,000
Washington									$3,781,600	$250,000			$2,150,000	$6,181,600		$6,181,600
WBR									$8,230,000	$765,000			$27,325,000	$36,320,000		$36,320,000
Webster									$5,255,000	$1,038,335			$5,885,000	$12,178,335		$12,178,335
Winn									$3,270,000	$945,000			$15,385,000	$19,600,000		$19,600,000
Total	**$0**	**$27,600,012**	**$156,477,000**	**$793,912,564**	**$12,741,200**	**$233,476,143**	**$216,560,000**	**$1,440,766,919**	**$1,434,220,500**	**$391,399,658**	**$800,000**	**$0**	**$2,080,284,000**	**$3,906,704,158**	**$58,246,959**	**$5,405,718,036**

Total State Spending Without Double Counting of Expenditures

	FY 01 Actual*	FY 02 Actual*	FY 03 Actual*	FY 04 Actual*	FY 05 Actual*	FY 06 Actual*	FY 07 Actual*	FY 08 Actual*
State General Fund	$5,811,328,419	$6,279,796,406	$6,484,124,015	$6,593,839,128	$6,536,768,945	$7,179,361,987	9,327,485,627	$10,371,746,553
Self Generated Revenue	$907,226,026	$1,131,863,636	$1,063,917,530	$1,060,771,306	$1,279,607,742	$1,213,971,213	1,344,780,376	$1,237,953,868
Statutory Dedication	$2,120,666,811	$1,998,560,099	$2,582,272,904	$2,568,809,921	$2,499,947,780	$2,924,513,351	$4,244,609,938	$4,104,169,999
Interim Emergency Bd.	$2,092,944	$4,287,912	$4,764,095	$5,091,801	$1,855,193	$2,785,111	$973,121	$4,612
Total State Funds	**$8,841,314,200**	**$9,414,508,053**	**$10,135,078,544**	**$10,228,512,156**	**$10,318,179,660**	**$11,320,631,662**	**$14,917,849,062**	**$15,713,875,032**
% Chg	*3.4%*	*6.5%*	*7.7%*	*0.9%*	*0.9%*	*9.7%*	*31.8%*	*5.3%*
% of Gross State Product	*8.5%*	*9.0%*	*9.2%*	*8.8%*	*8.6%*	*8.8%*	*11.2%*	*11.8%*
Federal	$4,294,795,289	$4,713,910,763	$5,421,770,845	$5,812,966,128	$6,213,400,921	$6,342,171,627	$11,151,125,271	$12,883,328,708
% Chg	*2.2%*	*9.8%*	*15.0%*	*7.2%*	*6.9%*	*2.1%*	*75.8%*	*15.5%*
Total Budget	**$13,136,109,489**	**$14,128,418,816**	**$15,556,849,389**	**$16,041,478,284**	**$16,531,580,581**	**$17,662,803,289**	**$26,068,974,333**	**$28,597,203,740**
% Chg	*3.0%*	*7.6%*	*10.1%*	*3.1%*	*3.1%*	*6.8%*	*47.6%*	*9.7%*
Classified	56,662	44,591	43,983	44,460	42,268	43,507	40,881	43,735
Unclassified	2,300	2,852	2,751	3,068	3,015	2,302	2,921	3,162
Total Authorized Positions	**58,962**	**47,443**	**46,734**	**47,528**	**45,283**	**45,809**	**43,802**	**46,897**
% Chg	*1.3%*	*-19.5%*	*-1.5%*	*1.7%*	*-4.7%*	*1.2%*	*-4.4%*	*7.1%*

	FY 09 Actual*	FY 10 Actual*	FY 11 Actual*	FY 12 Actual*	FY 13 Actual*	FY 14 Actual*	FY 15 Budgeted **	FY 16 Appropriated
State General Fund	$9,404,455,045	$8,654,063,030	$7,585,083,993	$8,218,640,371	$8,346,657,081	$8,565,093,381	$8,714,907,970	$9,008,483,167
Self Generated Revenue	$1,373,063,319	$1,428,207,083	$1,559,479,974	$1,979,835,429	$2,046,493,259	$2,127,991,462	$2,540,662,638	$2,329,980,600
Statutory Dedication	$3,287,472,706	$3,430,782,368	$4,025,813,002	$3,637,575,351	$4,112,137,392	$4,232,983,875	$4,729,786,361	$3,842,250,251
Interim Emergency Bd.	$1,718,869	$1,343,156	$1,897,824	$2,019,745	$1,347,509	$579,043	$243,452	$0
Total State Funds	**$14,066,709,939**	**$13,514,395,637**	**$13,172,274,793**	**$13,838,070,896**	**$14,506,635,241**	**$14,926,647,761**	**$15,985,600,421**	**$15,180,714,018**
% Chg	*5.3%*	*-3.9%*	*-2.5%*	*5.1%*	*4.8%*	*2.9%*	*7.1%*	*-5.0%*
% of Gross State Product	*11.3%*	*9.7%*	*8.5%*	*8.0%*	*7.8%*	*8.1%*	*9.0%*	*8.2%*
Federal	$10,951,001,370	$11,771,791,862	$10,918,294,287	$9,745,573,269	$9,520,946,163	$8,993,375,722	$10,148,109,625	$9,967,092,867
% Chg	*15.5%*	*7.5%*	*-7.3%*	*-10.7%*	*-2.3%*	*-5.5%*	*12.8%*	*-1.8%*
Total Budget	**$25,017,711,309**	**$25,286,187,499**	**$24,090,569,080**	**$23,583,644,165**	**$24,027,581,404**	**$23,920,023,483**	**$26,133,710,046**	**$25,147,806,885**
% Chg	*9.7%*	*1.1%*	*-4.7%*	*-2.1%*	*1.9%*	*-0.4%*	*9.3%*	*-3.8%*
Classified	41,934	40,151	55,861	52,128	47,007	36,374	35,109	35,084
Unclassified	3,256	3,579	26,386	20,549	19,252	17,862	17,846	17,384
Total Authorized Positions	**45,190**	**43,730**	**82,247**	**72,677**	**66,259**	**54,236**	**52,955**	**52,468**
% Chg	*7.1%*	*-3.2%*	*88.1%*	*-11.6%*	*-8.8%*	*-18.1%*	*-2.4%*	*-0.9%*

* Executive Budget Yellow Pages
** As of 6/30/2015

Note: Reflects total state spending and avoids double counting of expenditures (primarily Ancillary Bill SGR, IEB Appropriations, Interagency Transfers, etc.).
FY 97 to FY 04 Governor Foster; FY 05 to FY 08 Governor Blanco; FY 09 to present Governor Jindal.
FY 01 forward does not include expenditures of the LSU Health Care Services Division that have been moved "off-budget".
FY 11 forward include positions of the LSU Health Care Services Division.

ITEMS EXCLUDED AS DOUBLE COUNTED
FY 14 - FY 16

	SGF	SGR	Stat Ded	IEB	Fed	Total
FY 14 ACTUAL Total	$8,565,093,381	$3,587,729,476	$4,273,912,329	$579,043	$8,993,375,722	$25,420,689,951
Ancillary Bill		($1,444,488,172)				($1,444,488,172)
Legislative Ancillary Enterprise Fund (24-924)		($350,000)				($350,000)
Legislative Auditor Fees (24-954)		($14,899,842)				($14,899,842)
LA Public Defender Fund (01-116)			($31,931,627)			($31,931,627)
Indigent Parent Representation Program Fund (01-116)			($979,680)			($979,680)
Indigent Patient Representation Program Fund (01-103)			($328,573)			($328,573)
LA Interoperability Communication Fund			($7,684,898)			($7,684,898)
DNA Testing Post-Conviction Relief for Indigents Fund (01-116)			$0			$0
IEB Board (20-905)			($3,676)			($3,676)
Total	**$8,565,093,381**	**$2,127,991,462**	**$4,232,983,875**	**$579,043**	**$8,993,375,722**	**$23,920,023,483**
FY 15 BUDGETED Total	$8,714,907,970	$4,041,813,655	$4,763,872,513	$243,452	$10,148,109,625	$27,668,947,215
Ancillary Bill		($1,485,881,175)				($1,485,881,175)
Legislative Ancillary Enterprise Fund (24-924)		($350,000)				($350,000)
Legislative Auditor Fees (24-954)		($14,919,842)				($14,919,842)
LA Public Defender Fund (01-116)			($32,716,959)			($32,716,959)
Indigent Parent Representation Program Fund (01-116)			($979,680)			($979,680)
Indigent Patient Representation Program Fund (01-103)			($328,573)			($328,573)
DNA Testing Post-Conviction Relief for Indigents Fund (01-116)			($20,000)			($20,000)
IEB Board (20-905)			($40,940)			($40,940)
Total	**$8,714,907,970**	**$2,540,662,638**	**$4,729,786,361**	**$243,452**	**$10,148,109,625**	**$26,133,710,046**
FY 16 APPROPRIATED Total	$9,008,483,167	$3,842,348,384	$3,876,490,886	$0	$9,967,092,867	$26,694,415,304
Ancillary Bill		($1,497,117,942)				($1,497,117,942)
Legislative Ancillary Enterprise Fund (24-924)		($350,000)				($350,000)
Legislative Auditor Fees (24-954)		($14,899,842)				($14,899,842)
LA Public Defender Fund (01-116)			($32,040,755)			($32,040,755)
Indigent Parent Representation Program Fund (01-116)			($979,680)			($979,680)
Indigent Parent Representation Program Fund (01-103)			($406,541)			($406,541)
DNA Testing Post-Conviction Relief for Indigents Fund (01-116)			($28,500)			($28,500)
Academic Improvement Fund (19D-682)			($548,000)			($548,000)
Rapid Response Fund (05-252)			($200,000)			($200,000)
IEB Board (20-905)			($37,159)			($37,159)
Total	**$9,008,483,167**	**$2,329,980,600**	**$3,842,250,251**	**$0**	**$9,967,092,867**	**$25,147,806,885**

Previous Mid-Year Budget Deficits

Since December 2008 (FY 09), the state budget has been subject to a mid-year SGF budget deficit every fiscal year (FY 09, FY 10, FY 11, FY 12, FY 13, FY 14 & FY 15). These deficits have been "solved" in various ways from reducing the SGF budget, maximizing other means of financing, and reducing statutory dedicated appropriations and transferring these funds to the SGF. The following information summarizes the SGF reductions/SGF actions incorporated to solve these various mid-year SGF budget deficits by fiscal year.

FY 15 SGF Reduction Plan (Round 1 & 2)

($297.0 M)	SGF revenue forecast reduction

Solution:

$22.5 M	Transfer from the Transportation Trust Fund from a prior year Mid-Year Deficit Reduction Plan (FY 12 Mid-Year Cut).
$224.2 M	SGF Reductions that are being offset with approximately $170.8 M of other revenues.
$8.34 M	SGR reductions (Insurance, Revenue).
$41.4 M	Statutorily Dedicated Fund Reductions (fund transfers to SGF)
$0.04 M	Total IAT Reductions (State Treasury)
$0.508 M	Available SGF October 2014 SGF DOA Fiscal Status Statement

For more information on the FY 15 mid-year deficit plan, please see Page 111.

FY 14 SGF MOF Swap

($34.7 M)	SGF revenue forecast reduction
$3.1 M	Calculated SGF available in December 2013
($31.6 M)	Total SGF deficit

Solution:

$31.6 M	MOF swap replacing SGF with 2013 Tax Amnesty proceeds within the Medicaid Budget.

FY 13 SGF Reduction Plan

($129.2 M)	SGF revenue forecast reduction
($30.0 M)	MFP underfunding due to October 2012 child count
($11.4 M)	TOPS underfunding due to student count
$5.1 M	Calculated SGF available in November after satisfying preamble reductions
($165.5 M)	Total SGF deficit

Solution:

$7.1 M	Hiring Freeze Savings (BJ 2012-6)
$68.3 M	MOF swaps replacing SGF *($1 M due to local government election cost sharing; $5.5 M offenders excess proceeds from canteen sales in Correctional Services; $30.5 M anticipated legal settlements (Average Wholesale Price) in DHH; $7.3 M redirection in TANF funding used in LA-4; $10 M in HIED tuition increase; and $11.3 M from Hurricane Katrina proceeds in ORM).*
$40.4 M	SGF funding due to the reducing Capital Outlay statutorily dedicated appropriations and transferring these funds to the SGF *(FY 13 Supplemental Bill).*
$49.7 M	SGF reductions *($0.8 M - DOA; $0.8 M – Military Death Benefits; $1.1 M – Correctional Services; $4.6 M – Youth Services; $20.5 M – DHH; $1 M – DCFS; $3 M – Local Housing of State Adult & Juvenile Offenders; and $2.2 M – Schedule 20-XXX).*

FY 12 SGF Reduction Plan

($197.7 M)	SGF revenue forecast reduction
($42.6 M)	MFP Underfunding Due to October 2011 Child Count
$2.9 M	Calculated SGF available after HB 1 enrollment
($13.8 M)	FY 11 SGF Deficit
($251.3 M)	Total SGF Deficit

Solution:

$119.3 M	MOF swaps replacing SGF *($2.4 M in TTF funding for State Police; $50.4 M cost reports in DHH; and $66.2 M settlement receipts for TOPS).*
$38.2 M	SGF funding due to the reducing statutorily dedicated appropriations and transferring these funds to the SGF *(56 statutorily dedicated funds were impacted).*
$93.8 M	SGF reductions *($1.5 M – Secretary of State; $1.2 M – Agriculture & Forestry; $1.1 M – CRT; $6.3 M – Correctional Services; $6 M – Youth Services; $13.4 M – DHH; $8 M – DCFS; $50 M - Board of Regents; and $1.3 M – Dept. of Ed.).*

FY 11 SGF Reduction Plan

($106.7 M)	Total SGF deficit (FY 10 ending year SGF deficit)

Solution:

$106.7 M	SGF reductions *($5.1 M – Correctional Services; $3.4 M – Public Safety Services; $4.6 M – Youth Services; $20.8 M – DHH; $11.7 M – DCFS; and $34.7 M – HIED).*

Note: *The LFO utilized the DOA Power Point Presentation on the FY 11 Mid-Year Reduction Plan. A portion of the $106.7 M in SGF reductions was likely replaced with other means of financing to mitigate the cut. This information was not presented within the DOA handouts.*

FY 10 SGF Reduction Plan

($197.0 M)	SGF revenue forecast reduction
($52.6 M)	MFP underfunding due to October 2009 child count
$1.7 M	Calculated SGF available in November
($247.9 M)	Total SGF deficit

Solution:

$247.9 M	SGF reductions *($7.7 M – Executive Department; $108.1 M – DHH; $84 M – HIED; and $16 M – Dept. of Ed.).*

Note: *BJ 2009-21 reduced SGF expenditures in the amount of $247.9 M. An example of a SGF reduction could be a means of financing swap that increases another revenue source and decreases SGF by a like amount. The LFO does not have this information pertaining to the FY 10 Mid-Year Deficit Reduction Plan.*

FY 09 SGF Reduction Plan

($341 M)	SGF revenue forecast reduction

Solution:

$178 M	JLCB Approval *(inclusive of $24,378,056 from various statutorily dedicated funds)*
$163 M	SGF reductions *(BJ 2008-114 including $11 M – Correctional Services; $11.7 M – Youth Services; $118.1 M – DHH; $55.2 M – HIED; $11.1 M – Dept. of Ed.; and $20 M – GO Debt Services).*

Note: *The FY 09 Mid-Year Reduction Plan reduced SGF expenditures in the amount of $341 M. An example of a SGF reduction could be a means of financing swap that increases another revenue source and decreases SGF by a like amount. The LFO does not have this information pertaining to the FY 09 Mid-Year Deficit Reduction Plan.*

APPROVED SGF REDUCTIONS DUE TO MID-YEAR DEFICITS

Department	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15 (Round 1)	FY 15 (Round 2)*	Total
01-EXEC	($6,257,189)	($7,740,854)	($6,094,311)	($2,196,294)	($20,841,311)	$0	($3,512,127)	($2,165,010)	($48,807,096)
03-VETS	($1,454,402)	($637,278)	($350,495)	($228,476)	($596,943)	$0	($240,000)	$0	($3,507,594)
04-STATE	($4,213,831)	($1,632,209)	($2,430,964)	($1,490,918)	($1,000,000)	$0	$0	($931,593)	($11,699,515)
04-JUSTICE	($1,388,370)	($619,232)	($350,000)	($119,000)	$0	$0	$0	$0	($2,476,602)
04-LT. GOV.	($121,766)	($122,053)	($93,129)	($46,371)	$0	$0	$0	($74,143)	($457,462)
04-TREAS	($116,640)	($46,881)	$0	$0	$0	$0	$0	$0	($163,521)
04-AGRI	($2,732,951)	($1,554,442)	($1,646,031)	($1,183,683)	($102,412)	$0	($208,316)	($1,277,668)	($8,705,503)
05-LED	($1,005,750)	($1,714,480)	($1,195,191)	($564,373)	($430,199)	$0	$0	$0	($4,909,993)
06-CRT	($5,506,033)	($2,188,047)	($1,350,618)	($1,138,189)	($4,000,000)	$0	($159,019)	($1,861,929)	($16,203,835)
07-DOTD	($6,806,761)	($132,296)	$0	$0	$0	$0	$0	$0	($6,939,057)
08-CORR	($11,032,707)	$0	($5,071,813)	($6,272,005)	($9,414,276)	$0	($336,780)	($1,073,911)	($33,201,492)
08-DPS	($5,840,693)	($2,740,923)	($3,485,973)	($2,351,002)	$0	$0	$0	$0	($14,418,591)
08-OJJ	($11,744,321)	$0	($4,564,339)	($6,024,629)	($4,600,000)	$0	($1,984,208)	($4,000,000)	($32,917,497)
09-DHH	($118,070,508)	($108,056,551)	($20,804,466)	($62,627,895)	($51,758,946)	($31,575,408)	($131,789,576)	($53,552,408)	($578,235,758)
10-DCFS	($20,445,097)	($14,129,547)	($11,711,646)	($8,000,000)	($3,153,009)	$0	($964,980)	($146,932)	($58,551,211)
11-DNR	($1,959,852)	($375,881)	$0	($158,111)	($180,321)	$0	($688,365)	$0	($3,362,530)
12-REV	($3,393,660)	($1,060,656)	$0	$0	$0	$0	$0	$0	($4,454,316)
13-DEQ	($1,815,028)	($321,667)	$0	$0	$0	$0	($9,908)	$0	($2,146,603)
14-WORK	($1,017,500)	($137,514)	($275,000)	$0	$0	$0	$0	$0	($1,430,014)
16-WLF	$0	($7,561)	$0	$0	$0	$0	$0	$0	($7,561)
17-CIVIL	$0	($176,384)	($152,859)	($174,695)	($111,055)	$0	$0	$0	($614,993)
19-HIED	($55,182,262)	($83,961,506)	($34,745,030)	($116,223,039)	($22,834,387)	$0	($4,946,681)	$0	($317,892,905)
19-SPECIAL	($3,324,982)	($94,116)	($461,981)	($273,425)	($248,879)	$0	($45,000)	$0	($4,448,383)
19-DOE	($11,146,641)	($15,983,432)	($6,320,266)	($3,481,265)	($9,262,781)	$0	($6,774,189)	($899,286)	($53,867,860)
19-HCSD	$0	($2,454,084)	($5,307,534)	$0	$0	$0	$0	$0	($7,761,618)
20-OTHER	($20,493,234)	($2,024,315)	($319,900)	($540,000)	($36,930,170)	$0	($1,500,000)	($5,021,080)	($66,828,699)
21-ANCIL	($1,000,000)	$0	($1,000)	$0	$0	$0	$0	$0	($1,001,000)
22-NON-APPROP.	($20,000,000)	$0	$0	$0	$0	$0	$0	$0	($20,000,000)
26-CAP	($500,000)	$0	$0	$0	$0	$0	$0	$0	($500,000)
Statutory Dedicated Funds	*($24,378,056)*	*$0*	*$0*	*($38,186,107)*	*$0*	*$0*	*($15,015,098)*	*($26,433,740)*	($104,013,001)
SGR Reductions	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*($2,317,345)*	*($6,022,345)*	($8,339,690)
IAT Reductions	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*($39,955)*	($39,955)
Total Mid-Year Deficit	**($340,948,234)**	**($247,911,909)**	**($106,732,546)**	**($251,279,477)**	**($165,464,689)**	**($31,575,408)**	**($170,491,592)**	**($103,500,000)**	**($1,314,403,855)**

**$22.5 M of Transportation Trust Fund (TTF) was transferred into the SGF in FY 15, which resulted in less SGF cuts needed to solve round 2. These resources were utilized to help originally "solve" the FY 12 mid-year deficit, originally reported to the Joint Legislative Committee on the Budget (JLCB) in December 2011. If the $22.5 M is not transferred, there would have been an additional $22.5 M of SGF reductions.*

2015 Fiscal Highlights
Appendix of Tables and Graphs

2015 Fiscal Highlights
Appendix of Tables and Graphs